



QAD Enterprise Applications
Enterprise Edition

Training Guide General Ledger

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About This Course

Course Description

QAD designed this course to cover the basics of preparing to implement the General Ledger module of QAD Enterprise Application—Enterprise Edition (QAD EE). The course includes:

- An introduction to the General Ledger module
- An overview of key business issues
- Instructions on how to set up the General Ledger module
- Instructions on how to use the General Ledger module
- References to other QAD materials, such as user guides and on-line help
- Activities and exercises throughout the course

Course Objectives

By the end of this class, students will:

- Identify some key business considerations before setting up the General Ledger module.
- Set up the General Ledger module.
- Use the General Ledger module.

Audience

The audience for this course includes:

- Implementation consultants
- Members of implementation teams
- Operators

Prerequisites

The prerequisites for attending this course are:

- *Initial QAD Enterprise Applications Setup* training course
- Basic knowledge of:
 - Hardware and network configurations
 - QAD EE as it is used in industry
- Working knowledge of:
 - The manufacturing industry in general
 - Accounting principles in general

Note Students unfamiliar with QAD EE should read the User Interface Guide before attending this class.

Course Credit and Scheduling

This course is typically taught in one day.

QAD Web Resources

From QAD's main site, you can access QAD's Learning or Support sites.

<http://www.qad.com/>

Virtual Environment Information

Enterprise Edition 2011 r01, 10USACO, 22UKCO. Log in as user "qmi."

Chapter 1

Introduction

Course Overview

- Introduction to General Ledger
- Business Considerations
- Set up General Ledger
- Process GL Transactions

Course Objectives

Course Objectives

- Identify some key business considerations before setting up General Ledger
- Set up General Ledger in QAD EE
- Process GL Transactions in QAD EE

Chapter 2

GL Business Considerations

Business Considerations

In this section you learn how to:

- ✓ Identify key business considerations before setting up General Ledger
- ✓ Set up General Ledger in QAD EE
- ✓ Process General Ledger transactions in QAD EE



GL-BC-010

There are several business issues to consider before setting up QAD. This section does not discuss all potential issues, but presents some issues to generate thought and discussion.

QAD Enterprise Financial Concepts

QAD Enterprise Financials Concepts



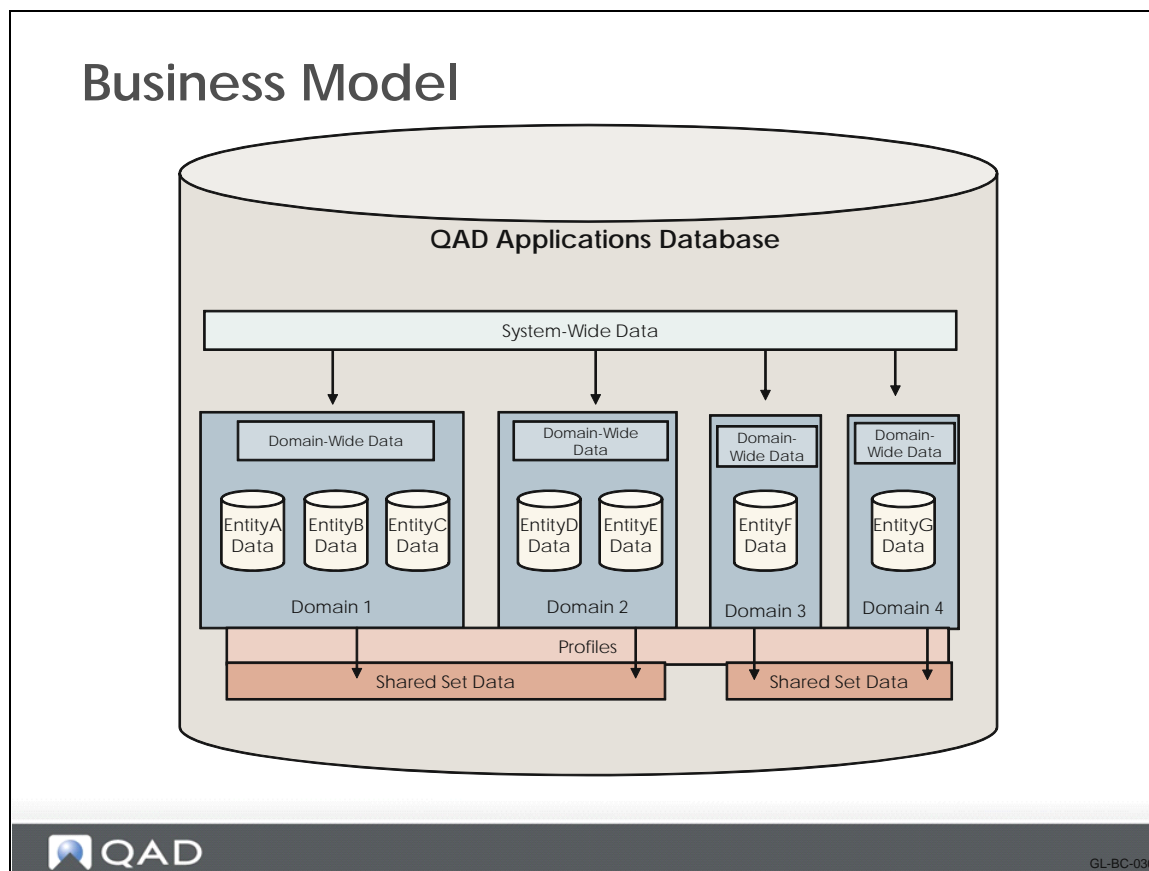
- Business Data Model
- Shared Sets
- Profiles
- Business Relations
- Accounting Layers
- Daybooks
- GL Analytical Coding Segments (including SAFs)
- Alternate Chart of Accounts
- Dual Base Currency



GL-BC-020

In this section, you will learn about the underlying QAD Financials concepts, as well as the business data model. It is essential to understand these concepts, which form the basis for the topics described in this training course.

Business Model



When planning your financial implementation, you must set up the infrastructure of your business organization.

The core elements of the business model include the following:

- The *database* contains all of your business-critical data in a secure format. A database can have one or more distinct logical partitions, called domains. Some data is defined at the database level and is available throughout the system, including currencies, countries, and languages.
- A *domain* represents one or more of your business operations. Each domain can share system-wide data or have its own chart of accounts, exchange rates, customers, and suppliers. Domains can have different base currencies, languages, document numbering schemes, and security, as well as different operational controls.
- *Shared set codes* identify data that can be shared among domains, so that a domain can have an independent chart of accounts or several domains can share the same chart of accounts, streamlining setup and maintenance.
- An *entity* within a domain represents an independent unit for financial and tax planning and reporting. An entity can represent a separate legal unit or a division of a legal entity.
- Use *profiles* to build relationships between shared sets in a multiple-domain or multi-entity environment. Profiles help to manage the specific assignment of accounts and daybooks.

Multiple Entities and Databases

Multiple Entities/Multiple Databases



GL-BC-040

Multiple Entities

You can maintain multiple entities in each domain. These entities are set up separately as independent units for financial reporting purposes.

You then run separate financial reports for each entity and one for consolidated entities.

The entities can share the same database if they have the same base currency, GL calendar, and chart of accounts.

Multiple Databases

If your implementation uses more than one database, each database can have different base currencies and can maintain different GL calendars.

You can then run separate financial reports for each entity, and then consolidate financial information into one database for company-wide reporting.

Data Levels

Four Levels of Data

- System wide
 - Country codes, currencies, tax zones, alternate COA.
- Shared sets
 - GL accounts, sub-accounts, sub-account mask, cost centers, cost center mask, projects, project mask, suppliers, customers, daybooks, exchange rates.
- Domain
 - Base currency, statutory currency, GL calendar, combination of shared sets.
- Entity
 - Transactions, own bank account number.



GL-BC-050

There are four levels of data in the QAD Enterprise Edition business model.

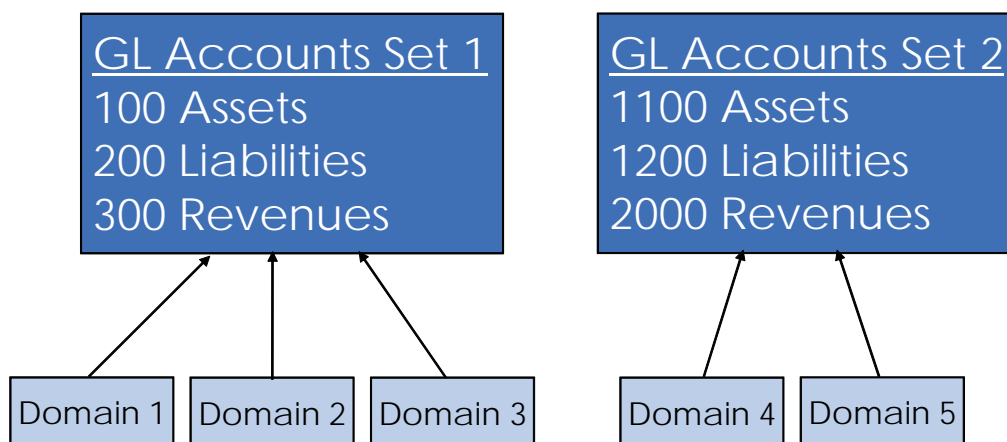
- System-wide data is shared by all domains and entities and includes:
 - Business relations and address-related data such as address types, corporate groups, currencies, rounding methods, languages, counties, states, and countries. Also included is address-related tax data such as tax zones, tax environments, tax classes, tax usage codes, and tax types.
 - Financial data, such as shared set codes, credit terms, invoice statuses, and profiles.
 - Security data such as users and roles.
 - Administrative data such as e-mail definitions and printers.
 - Some EDI eCommerce setup data.
 - User interface information such as labels, menus, messages, and look-up definitions.
- Shared sets group data that can be shared across domains. A single domain can have an independent chart of accounts or several domains can share the same chart of accounts, streamlining setup and maintenance.
 - The data types included in shared sets are GL account components (accounts, sub-accounts, cost centers, and projects), customers, suppliers, daybook codes, and exchange rates.
- A domain represents the base unit of the system and comprises one or more entities. Each domain has its own base currency, which is then shared by the entities within the domain.

- Most operational data is domain-specific. This includes the setup for items, as well as most purchasing, sales, and manufacturing functions. Some financial data is also domain-specific, such as COA masks—which determine valid combinations of accounts, sub-accounts, cost centers, and projects—and accounting periods.
- Entity-level data is limited, for example, the organization’s own bank account number. Transactions are entered at entity level.

Shared Sets

Shared Sets

- A domain points to one shared set by type.
- Multiple domains can use the same shared set.



GL-BC-060

Shared sets provide great flexibility in how you can set up a system.

A default set of shared set codes is supplied with the system. However, you can create as many shared sets as required. The following types of data can be shared: customers, suppliers, accounts, sub-accounts, cost centers, projects, exchange rates, and daybooks.

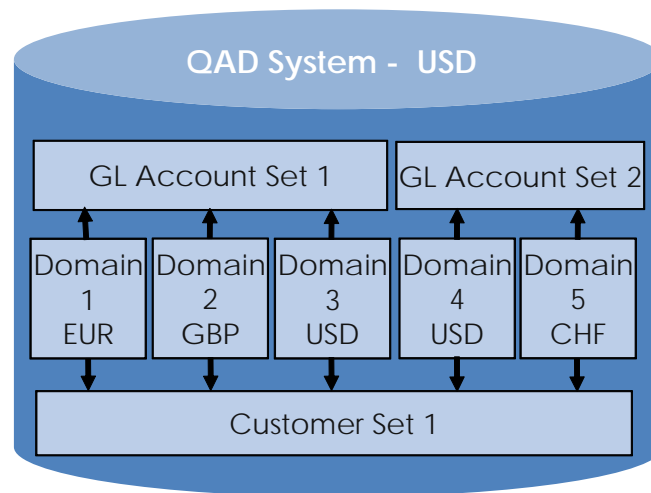
When you create a domain, you must select at least one shared set code for each type of required data: customers, suppliers, accounts, sub-accounts, cost centers, projects, exchange rates, and daybooks. All entities within a domain use these shared sets.

Consider the following scenario. Your database has two domains: North America and European Union. The entities in both domains share customers and suppliers. However, the chart of accounts (COA) differs because of local accounting practices.

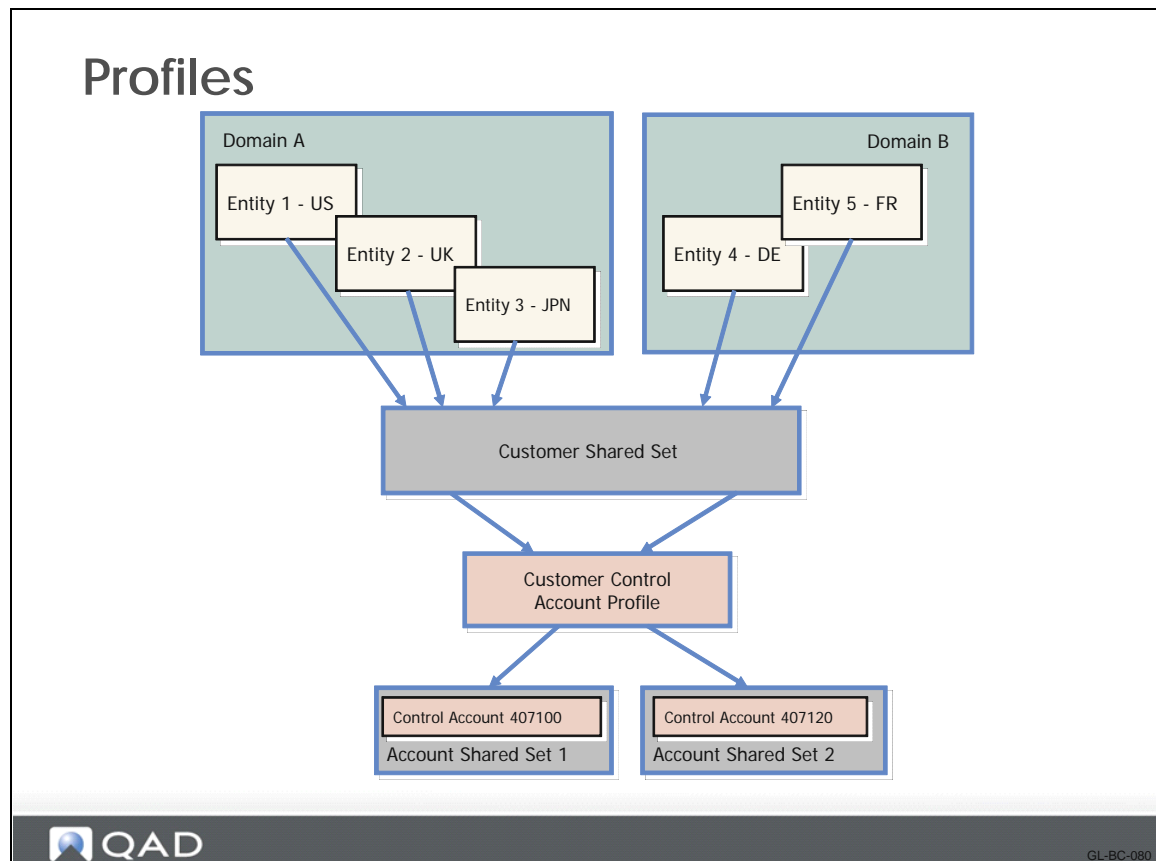
To implement this scenario, you need a single shared set code for customers and a single one for suppliers. But you need two codes for each COA element: accounts, sub-accounts, cost centers, projects, and daybooks. Exchange rates are also shared, so one shared set of this type is sufficient.

Data Setup Scenario Example

Data Setup Scenario Example



Profiles



In a multiple domain environment, use profiles to build relationships between shared sets (36.1.1.3).

In the example, instead of entering a control account in the customer record, you enter a profile code. The profile code is linked to two different chart of accounts, depending on the domain the transaction is recorded in.

Business Relations

Business Relations

- Each customer, supplier, entity, and employee is linked to a business relation code
- Defined at database or domain level
- Can be created when creating a new customer or supplier
- Business Relations have different address types:
 - Head office
 - Ship-to
 - Reminder
 - Remittance
 - Dock
 - End User

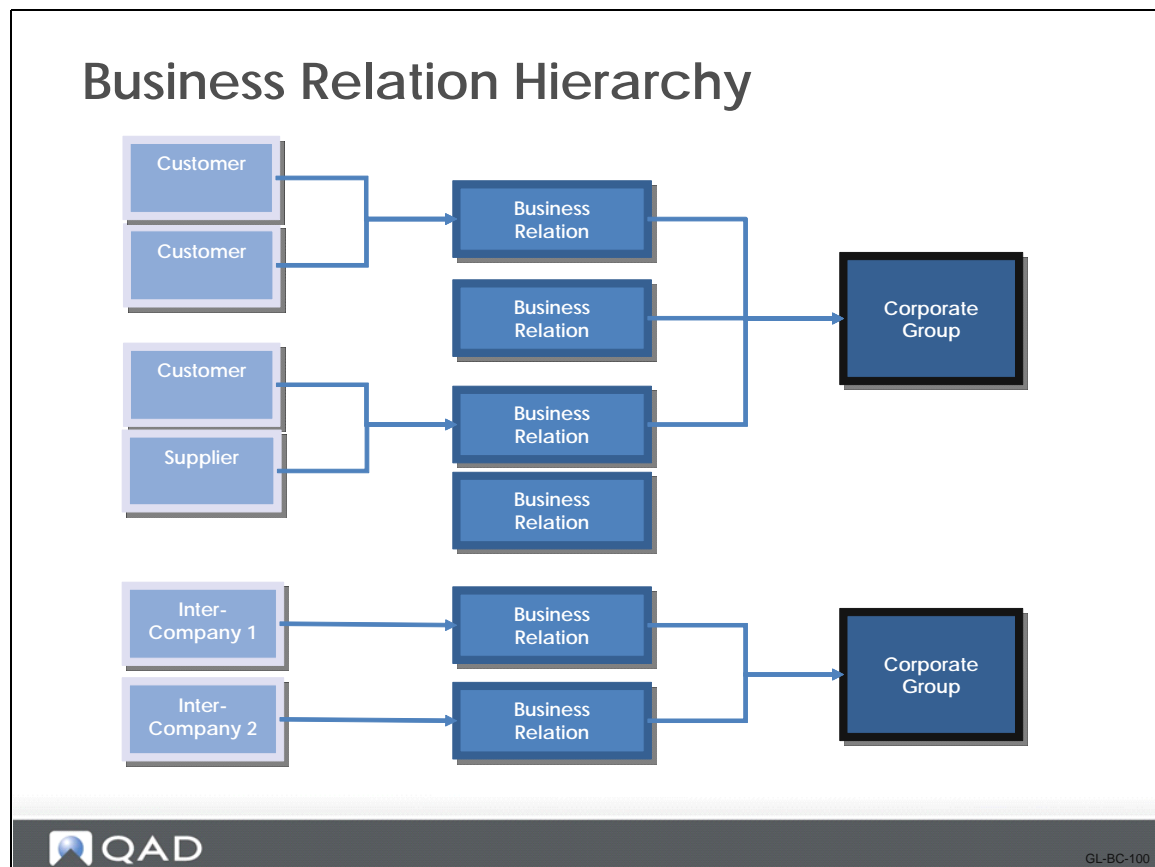


GL-BC-090

Business relations represent any organization or person that a company does business with, for example, customers, suppliers, employees, or an internal entity. A business relation address is a prerequisite for creating any of these records.

Business relation codes are defined at the database level. This lets you maintain all address data in one function, and then reference it in other functions that require address data, such as customer and supplier records. When the business relationship address data is modified, all other codes that reference that address are also updated automatically, reducing time and duplicate maintenance effort.

Business Relation Hierarchy



This slide shows how customer, supplier, and company records can relate to each other.

Note A business relation can be linked to both a customer and a supplier.

Example ABC produces pens and pencils, and sells to Office Supply Co. ABC, in return, purchases office supplies, such as paper and filing material, from Office Supply Co.

Office Supply Co. is both a supplier and customer of ABC.

You can link business relations together using a corporate group. This function is useful for reporting purposes.

Accounting Layers

Accounting Layers

- Three accounting layers:
 - Primary layer
 - Labeled “Official layer” in the application.
 - Used for daily transaction posting.
 - Secondary layer
 - Labeled “Management layer” in the application.
 - For adjustments (GAAP/IFRS compliance or management reporting adjustments).
 - Transient layer
 - For temporary postings before approval and for what-if simulations



GL-BC-110

Accounting layers provide different ways of segregating transactions within a single GL account to satisfy reporting requirements. The posting of transactions is controlled by associating daybook types with one of the three system-defined accounting layers: primary (labelled official in the system), secondary (labelled management in the system), and transient.

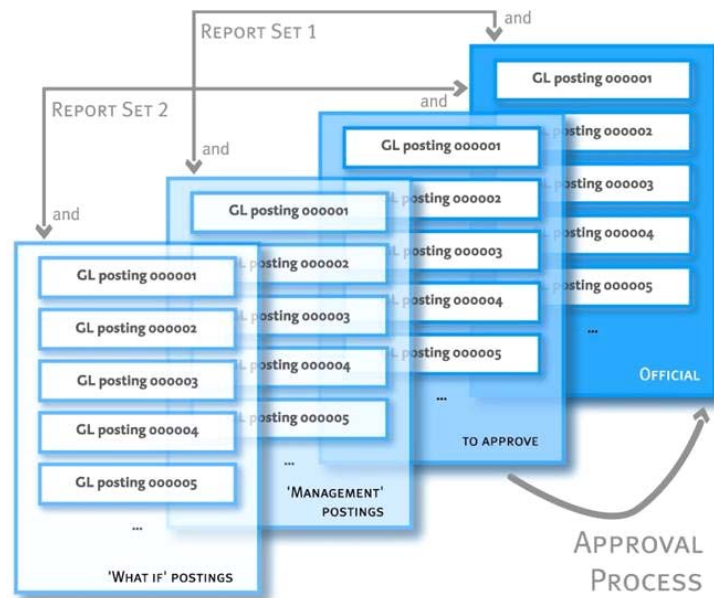
The primary layer is used for daily transaction posting.

Define one or more secondary layers to allow for adjustments required to meet different GAAP/IFRS requirements, or for management reporting.

The transient layer is used to temporarily post transactions pending approval, or to simulate postings.

Accounting Layers and Reporting

- Reporting can be based on:
 - A single layer
 - Or a combination of layers
 - Layer combinations for reporting can be stored as user preferences
 - An account can have a balance for each layer



GL-BC-120

Financials reports let you select multiple layers at a time, for example, both the primary layer and management layer to include management adjustments.

Any combination is possible, as shown in the slide.

Daybooks

Daybooks

- System- or user-defined views of the general ledger.
- Contain all transactions, and control numbering.
- Mandatory in all modules.
- Linked to a specific accounting layer.
- Facilitate analysis, segregation of transactions, numbering, and speed of period close.



GL-BC-130

Daybooks, also known as journals, are system or user-defined views of the general ledger and contain all transactions.

Daybooks play an important role in QAD Enterprise Financials, and their use is mandatory. It is recommended to use more than one daybook as a means of grouping transactions. Daybooks can be used to distinguish between different types of journal entries, such as auditor adjustments, payroll entries, GAAP adjustments, and manually prepared accruals.

Daybooks also control the numbering of invoices and credit notes, in addition to GL transaction numbers. Daybooks are linked to an accounting layer, and can be controlled by the financial functions, the operational functions, or externally when a third-party add-on product interface.

GL Account Setup Features

GL Account Create

- GL Type
 - Standard
 - Bank
 - Control accounts
 - System accounts
- Posting Control
 - Debit/Credit
 - Balance Sheet/P&L
 - Intercompany
 - Quantities
- Analysis
 - Cost Center, SAF, Sub Accounts, (Default Values)

The screenshot displays the 'GL Account Create' form in QAD. The form is divided into several sections with tabs at the bottom: Posting, Currency, Analysis, Report Link, Banking, Cash, and Defaults. The 'Posting' tab is currently selected. Fields include:

- Account:** 002150VA
- Description:** SO VARIANCE ACCOUNT 21
- GL Type:** Standard Account
- Active:** ☒
- Referenced:** ☒
- In Posting:** ☐
- System Type:** (dropdown menu)
- Budget Group:** (dropdown menu)
- Budget Enabled:** ☒
- Category:** EXPENSE
- Analysis Type:** SAF
- Analysis Limitation:** None
- Default Cost Center:** (dropdown menu)
- Default Project:** (dropdown menu)
- SAF Structure Code:** ProdLine Struct
- Sub-Account:** ☒
- Default Sub-Account:** 0001-Domain1-S
- GL Analysis Set On Date:** (dropdown menu)
- GL Analysis Set on by:** (dropdown menu)
- GL Sub-Account Set On Date:** 06/07/2007
- GL Sub-Account Set on by:** (dropdown menu)

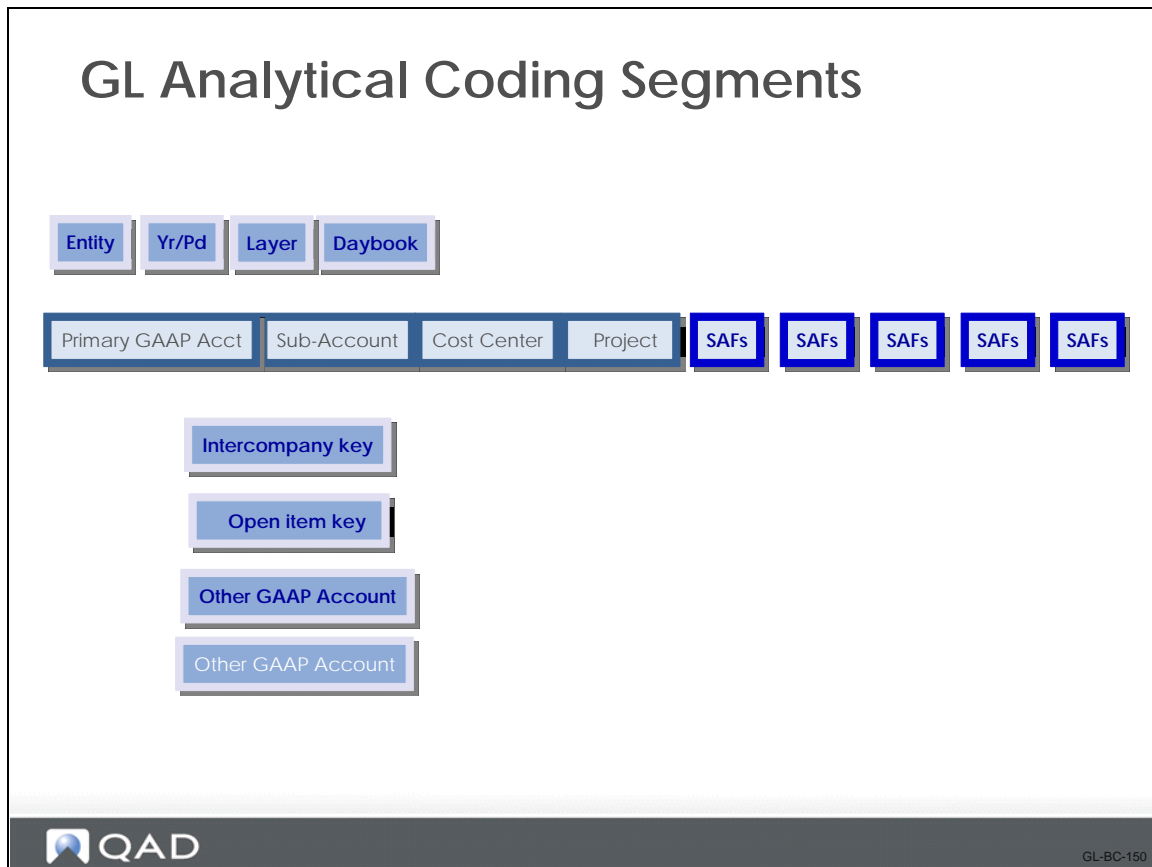


GL-BC-140

Some of the features of General Ledger accounts in QAD Enterprise Financials include:

- Several GL types with added functionality for each.
- Posting control, where some of the attributes are mandatory.
- Extensive analysis capabilities with sub-accounts, cost centers, projects, and Supplementary Analysis Fields (SAFs).

GL Analytical Coding Segments



QAD Financials uses standard, industry-recognized components to implement your chart of accounts. The strength of the application is its flexibility—you can configure the business model to generate many different types of accounting information.

GL accounts, sub-accounts, cost centers, and projects combinations can be validated using a GL mask. The GL mask validates account element combinations when transactions are posted, preventing any posting errors.

Additional Coding Dimensions in GL

Additional Coding Dimensions in GL

- SAF: Supplementary Analysis Fields
- Additional information linked to GL transactions for specific account, sub-account, cost center and project combinations
- Up to 5 SAFs on a posting line
- Automatic defaulting
- SAF data from operational transactions or custom analytical data can be defined



GL-BC-160

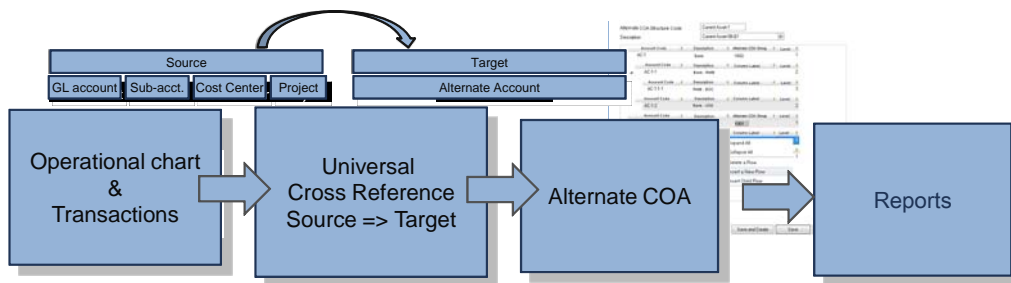
In addition to the four basic components of the general ledger, you can define five Supplementary Analysis Fields (SAFs) to fine-tune transactions. SAFs provide the basis for powerful and flexible financial reporting and analysis.

Default SAF codes are supplied with the system, and require no additional setup. You can also define your own SAFs, based on your unique reporting requirements.

Alternate Chart of Accounts

Alternate Chart Of Accounts

- Secondary grouping of accounts
- Cross-domain
 - Maintained at system level
- Multiple structures
- Mapping with cross references



GL-BC-165

The Alternate Chart of Accounts functionality was introduced in QAD 2009 Enterprise Edition to provide the ability to report accounting activity using a standardized chart of accounts provided by local legal authorities (required in China, Russia, and France).

Alternate COAs are maintained at system level to be used across domains, and you can set up as many as required.

No posting occurs to the alternate COAs, which are only used for reporting.

Set up alternate COAs by defining cross-references from source GL combinations to target alternate accounts.

Learn more about alternate COAs in the Advanced Financials class.

Dual Base Currency

Dual Base Currency

- Transaction amounts always stored in
 - transaction currency
 - base currency
 - statutory currency

Sample Supplier Invoice

In USD (base)

In USD (transaction)

In MXN (statutory)

Invoice Number	Invoice Date	Due Date	Currency Code	BC Original Amount	TC Original Amount	SC Original Amount
2009/QADAPINV/0	07/17/2009	09/09/2009	USD	120.00	120.00	408.00



GL-BC-170

In addition to the primary base currency at domain level, you can define a second management currency at database level, for reporting purposes. This currency is known as the statutory currency, and is normally the local currency of the country in which the organization must produce its declarations and financial reports.

The need for a statutory currency is most likely to arise in a country that is geographically close to a strong currency zone (for example, Mexico and Poland), where the country itself has another local currency. Companies operating in countries close to strong currency zones, such as the Euro and US Dollar, might use the stronger currency as their base currency (functional currency). However, local auditors and tax controllers can mandate that companies submit their declarations and financial reports in the local currency of the country. In these cases, the local country currency becomes the organizations' statutory currency.

Definitions

Definitions

- Transaction currency:
 - Functional currency of the transaction that is recorded
- Base currency:
 - Functional currency of the entity in which the transaction is recorded
- Statutory currency:
 - Local currency in which the organization must produce declarations and reports






GL-BC-180

Foreign currency transactions can be stored in a maximum of three currencies: the transaction currency, the base currency, and the management currency. This three-currency system lets you display a transaction or create a report in any of the defined currencies. This feature is especially important in environments with high inflation and strong currency fluctuation.

Example

Example

- A US Company in Mexico
 - keeps its accounting records in USD
 - Submits reports to the Mexican government in MXN
 - receives a supplier invoice from a UK supplier in GBP

	Transaction Currency	= GBP
	Base Currency	= USD
	Statutory Currency	= MXN



GL-BC-190

Example A multinational corporation has a subsidiary in Mexico. In the Mexican subsidiary, most business transactions are conducted in USD, the base currency. However, all reports that the subsidiary must produce for the Mexican government are in Mexican pesos, which is the statutory currency.

Chapter 3

Setting up the General Ledger

Course Overview

Set up General Ledger

- **In this section you learn how to:**
- Identify key business considerations before setting up General Ledger
- **Set Up General Ledger in QAD Enterprise Edition**
- Process General Ledger transactions in QAD Enterprise Edition



EE-GL-SU-010

General Ledger Setup

General Ledger Setup



- Define the Chart of Accounts
- COA Validation
- Set Up Sub-Accounts
- Set Up Cost Centers
- Create Projects
- Define GL Units of Measure
- Create SAFs
- Operational Account Control



EE-GL-SU-020

In this section, you learn how to set up the General Ledger module in QAD Enterprise Applications. This lesson covers the data that you need to enter or configure for a successful implementation.

General Ledger Setup - Continued



- Create Accounting Layers
- Create Daybooks
- Define the GL Calendar Year and GL Periods

Define the Chart of Accounts

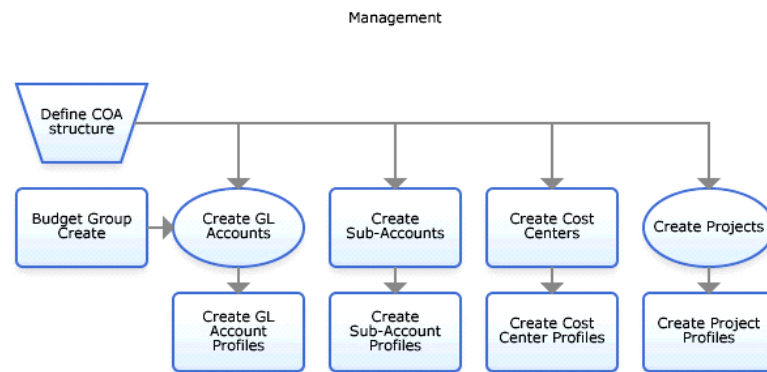




Chart of Accounts

General Ledger Setup



- **Define the Chart of Accounts**
- COA Validation
- Set Up Sub-Accounts
- Set Up Cost Centers
- Create Projects
- Define GL Units of Measure
- Create SAFs
- Operational Account Control

EE-GL-SU-050

The first step required to implement the General Ledger module is to configure the chart of accounts.

The chart of accounts is a list of all account names and numbers used in an entity's General Ledger. A company's chart of accounts normally consists of balance sheet accounts (assets, liabilities) and income statement accounts (revenues, expenses, gains, losses).

In QAD EE, you can specify GL accounts, sub-accounts, cost centers, and projects within your chart of accounts.

Set Up Accounts

GL Account Highlights

- GL account types for analysis
 - Bank, cash, closing, cross company
- Additional functionality by account type
- System account:
 - Mandatory for certain functions
 - Purchase order receipts, rounding differences, exchange gain or loss
- Disable manual posting option
- Import, export with Excel integration
- SAF option



EE-GL-SU-060

The GL account is the base unit in the general ledger.

GL Accounts

Types of GL Accounts

- Standard
- Open item
- Bank
- Cash
- Control:
 - Customer, Supplier
 - Inventory, WIP
- Payment:
 - Customer, Supplier
- Fixed Asset
- Tax
- Cross company
- Closing
- System accounts



EE-GL-SU-070

Create as many different types of GL account as are required for your business environment.

Accounts show values for financial elements, such as cash, inventory, and sales. The individual account balances show values at a given point in time, and these values change as a result of transactions.

Account balances provide the content for financial statements.

Use GL Account Create to define GL accounts.

The following table lists the GL account types you can create:

Account Type	Description
Bank Account	Use to configure a bank account.
Cash Account	Use to record cash transactions.
Closing Account	Use in the year-end closing process to post the total balance for each account type.
Cross-Company Control Account	Use to record postings from one entity to another. The corresponding balances are kept in mirrored cross-company accounts.
Customer Control Account	Use as the control account for customer Accounts Receivable activity.
Customer Payment Account	Use to record customer payment transactions, such as those involving checks, direct debits, and drafts.

Account Type	Description
Fixed Assets Account	Use to record fixed assets activity.
Inventory Control Account	Use to record the inventory sub-ledger activity.
Open Items Account	Use to record open item transactions.
Standard Account	Use to define basic, non-specific accounts.
Supplier Control Account	Use as the control account for supplier Accounts Payable activity.
Supplier Payment Account	Use to record supplier payment transactions, such as those involving checks, paper and electronic transfers, and drafts.
System Account	Use system accounts for accounting functions that affect all data and transactions for a shared set, such as rounding differences, revaluation, or fixed-asset disposals.
Tax Account	Use to record tax entries and transactions, such as the tax charged on sales, known as output tax, and the tax paid on purchases, known as input tax. Use the information in the account when completing your tax return at the end of each tax period.
WIP Control Account	Use to record the cost of open work orders, such as raw materials taken from inventory and being used in the manufacturing process.

System Accounts

- Purchase and Supplier invoice
 - Purchase Order Receipts
 - Unmatched invoices
- Currency
 - Rounding differences
 - Realized exchange gain
 - Realized exchange loss
 - Unrealized exchange gain
 - Unrealized exchange loss
- Result (reporting)
 - Result of the current year
 - Result of the previous years



EE-GL-SU-080

System accounts are used for system-wide functions, such as rounding differences or exchange rate gains and losses. The System Type drop-down list in the GL account screen is enabled when you specify a system account. Examples of system accounts include Purchase Order Receipts, Realized Exchange Loss/Gain, Unrealized Exchange Gain/Loss, and Result of Current Year.

GL Account Create

The screenshot displays the 'GL Account Create' window in QAD. The window has a menu bar with 'Go To', 'Actions', 'Tools', 'Attach', 'Print', and 'Preview'. Below the menu bar is an 'Attachments' section. The main area is divided into several tabs: 'Posting', 'Currency', 'Analysis', 'Report Link', 'Banking', 'Cash', and 'Defaults'. The 'Posting' tab is currently selected. In this tab, there are fields for 'Account' (highlighted with a red box), 'Description', 'GL Type' (set to 'Standard Account', highlighted with a red box), 'Active' (checked), 'Referenced' (unchecked), 'In Posting' (unchecked), 'System Type', 'Budget Group', 'Budget Enabled' (checked), and 'Category' (set to 'Asset'). Below these fields are sections for 'Balance/P&L' (set to 'Balance Sheet Account'), 'Auto/Manual' (set to 'Manual'), 'Debit/Credit' (set to 'Debit'), 'Intercompany Account', 'Fixed Intercompany', 'Quantity', 'Default Intercompany', and 'GL Account Unit of Measure'. The 'Analysis' tab is also visible, showing an 'Analysis Type' dropdown menu (highlighted with a red box) with options: 'None', 'Both', 'Cost Center', 'None', 'Project', and 'SAF'. Other fields in the 'Analysis' tab include 'Analysis Limitation' (set to 'None'), 'Default Project', 'Default Sub-Account', 'GL Analysis Set on by', and 'GL Sub-Account Set on by'. The 'Currency' tab is also visible, showing fields for 'Base Currency Only', 'TC Revaluation in BC', 'TC Revaluation in SC', 'Revaluation GL', 'Consolidation Method' (set to 'Current Exchange Rate'), 'Consolidation Rate Type', 'Currency Code', and 'Rate Type for Revaluation in BC' and 'SC'. The QAD logo is in the bottom left corner, and the text 'EE-GL-SU-090' is in the bottom right corner.

Use GL Account activities (25.3.13) to create, view, modify, and delete GL accounts. You can also use Excel Integration (25.3.13.5) to import account information from an Excel spreadsheet.

Use GL Account Create to define how posting should occur (limited based on the account type), whether foreign currency postings are accepted on the account, and the analysis type to use (sub-account, cost center, project, or SAF, or a combination of these). The analysis types you can use with each account is limited, based on the account type.

- Many attributes of a GL account can be modified if it has not been used in posting.
- The Balance/PL field cannot be modified in nonstandard accounts.

Validating Accounts—COA Mask

Validating Transactions COA Mask

- Defined for specific domain
- Enabled during domain creation
- Three mask types:
 - Sub Account
 - Cost Center
 - Project

The screenshot shows the 'Domain Create' window with the 'COA Mask' section highlighted. The section includes three rows for different mask types, each with a checked checkbox and a dropdown menu set to 'Exclude From Posting'.

Mask Type	Active	COA Element without Mask
Sub-Account Mask	<input checked="" type="checkbox"/>	Exclude From Posting
Cost Center Mask	<input checked="" type="checkbox"/>	Exclude From Posting
Project Mask	<input checked="" type="checkbox"/>	Exclude From Posting



EE-GL-SU-094

The GL Mask Maintain function from previous releases has been replaced by new COA mask functions that provide greater flexibility in creating matrices to validate postings.

Three COA element types now have a separate COA mask maintenance function.

- Sub-Account Mask Create (25.3.9.1.1)
Specify a sub-account COA mask code and list the ranges of GL accounts with which sub-accounts assigned that COA mask can be combined.
- Cost Center Mask Create (25.3.9.2.1)
Specify a cost center COA mask code and list the ranges of GL accounts and sub-accounts with which cost centers assigned that COA mask can be combined.
- Project Mask Create (25.3.9.3.1)
Specify a project COA mask code and list the ranges of GL accounts, sub-accounts, and cost centers with which projects assigned that COA mask can be combined.

COA masks are implemented at domain level and as part of a shared set, and are activated using three control fields in Domain Create (36.1.1.1.1): Sub-Account Mask, Cost Center Mask, and Project Mask. You can only define a COA mask if it has been activated in Domain Create (36.1.1.1.1). The system validates postings for each of the COA masks marked as active.

An additional setting in Domain Create controls how the system treats COA elements that are not assigned a COA mask.

The COA Element without Mask field contains two options:

- No Posting Restrictions.

If, for example, you activate cost center masks and select No Posting Restrictions in the COA Element without Mask field, cost centers that are not assigned a COA mask can be used in any posting.

- Exclude from Posting

In the COA Element without Mask field, cost centers that are not assigned a COA mask cannot be used in postings.

Sub-Account COA Mask

Sub-Account COA Mask

The screenshot shows two windows from the QAD system. The 'Sub-Account Mask Create' window on the left has a 'Code' field set to 'SAMatrix1' and a 'Description' field set to 'Sub-Account Matrix'. Below these fields is a table titled 'GL Account Rules' with columns 'From', 'To', 'Disallowed Range', and 'Descr'. The table contains three rows: '100' to '1000', '1010' to '1099', and '2001' to '2550'. The '2001' to '2550' row is highlighted. The 'Sub-Account Create' window on the right has fields for 'Sub-Account' (R&D), 'Description' (Research and Development), 'Budget Group' (1000), and 'Sub-Account Mask Code' (SAMatrix1). The 'Sub-Account Mask Code' field is circled. A blue arrow points from the 'Code' field in the first window to the 'Sub-Account Mask Code' field in the second window. Another blue arrow points from the highlighted '2001' to '2550' row in the 'GL Account Rules' table to a callout box.

Sub-Account Type
COA Mask "SAMatrix1"

From GL Account	To GL Account
"100" -	"1000"
"1010" -	"1099"
"2001" -	"2550"

EE-GL-SU-095

Use Sub-Account Mask Create (25.3.9.1.1) to define the ranges of GL accounts with which a sub-account can be combined in postings. The sub-account mask is then assigned to the sub-account using Sub-Account Create (25.3.17.1) or Sub-Account Modify (25.3.17.2). If you assign a COA mask to a sub-account, the system will prevent it from being used with any GL account not specified within the ranges defined in Sub-Account Mask Create.

COA masks are described in detail in the Advanced Financials course and in *User Guide: QAD Financials*.

Cost Center COA Mask

Cost Center COA Mask

The diagram illustrates the configuration of a Cost Center COA Mask. It shows two main windows: **Cost Center Mask Create** and **Cost Center Create**.

Cost Center Mask Create displays two tables for defining ranges:

From	To	Disallowed Range	Dr
10	1999		
2010	3000		
2050	2055		

From	To
01	99
102	199

The **Cost Center Create** window shows the **Cost Center Mask Code** field set to **CCMatrix1**, which is linked to the **Cost Center Type COA Mask "CCMatrix1"**.

The **Cost Center Type COA Mask "CCMatrix1"** defines the following ranges:

From GL Account	GL Account
"10" - "1999"	
"2010" - "2055"	

From Sub-Acct	Sub-Acct
"01" - "99"	
"102" - "199"	

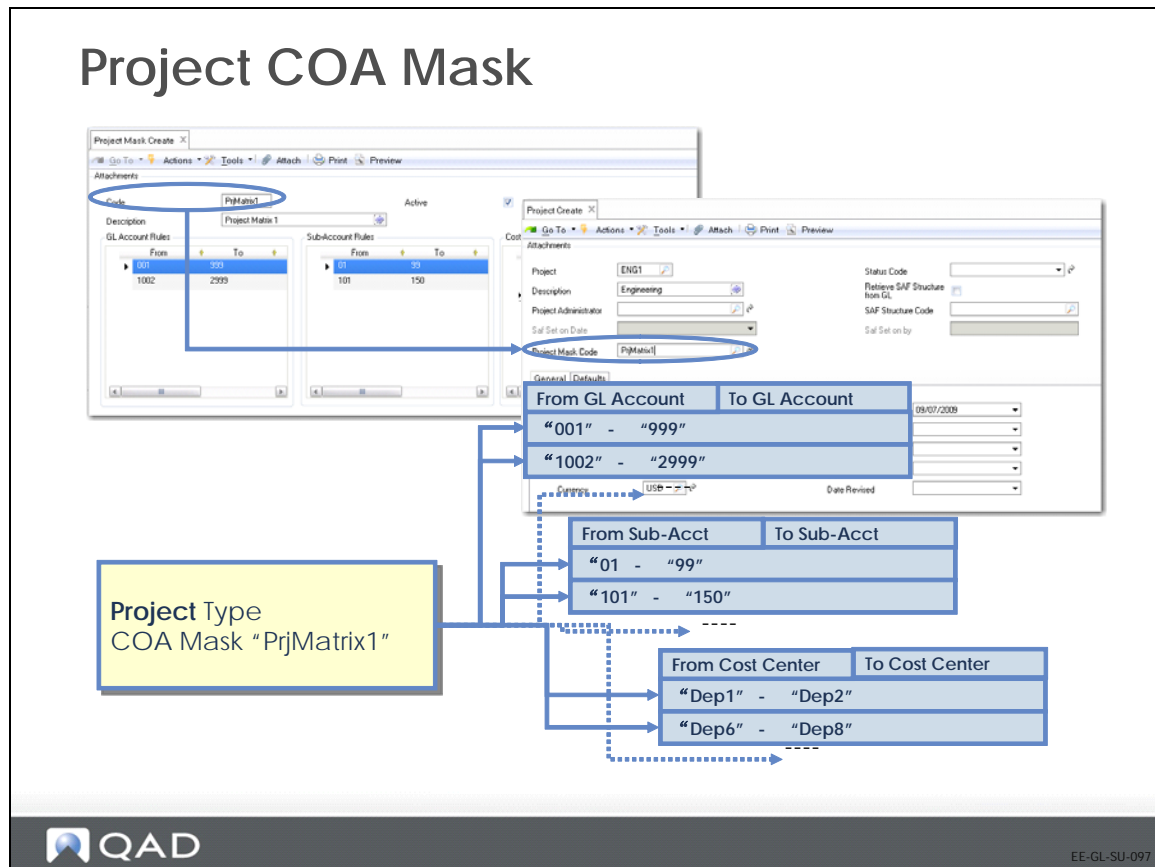
The QAD logo is visible in the bottom left corner, and the text "EE-GL-SU-096" is in the bottom right corner.

Use Cost Center Mask Create (25.3.9.2.1) to specify the ranges of GL accounts and sub-accounts that you can use in combination with a particular cost center.

You then associate the COA mask with a cost center by specifying the cost center COA mask code in the COA Mask field in the cost center record in Cost Center Create.

COA masks are described in detail in the Advanced Financials course and in *User Guide: QAD Financials*.

Project COA Mask



Use Project Mask Create (25.3.9.3.1) to specify the ranges of GL accounts, sub-accounts, and cost centers that you can use in combination with a particular project when posting.

You then associate the COA mask with a project by specifying the project COA mask code in the COA Mask field in Project Create.

COA masks are described in detail in the Advanced Financials course and in *User Guide: QAD Financials*.

US Exercise: Create GL Accounts

- 1 Log in to 10USACO and create the following GL accounts using GL Account Create (25.3.13.1).

The GL Account Create fields are listed in the leftmost column.

The subsequent columns list the field values for each GL account to create.

General					
GL Account	1000	1250	1505	1675	2100
GL Description	Petty cash USD	Current Bank GBP	Sundry Inventory	Sundry transfers	Suppliers Exp notes
GL Type	Cash	Bank	Inventory	Open items	Supplier control
System Type					
Active	Yes	Yes	Yes	Yes	Yes
Budget Group					
Budget Enabled	Yes	Yes	Yes	Yes	Yes
Category	Asset	Asset	Asset	Asset	Liability
Postings Tab					
Balance/P&L	Balance	Balance	Balance	Balance	Balance
Debit/Credit	Debit	Debit	Debit	Debit	Credit
Auto/Manual	Manual	Manual	Auto	Manual	Auto
Intercompany Account	No	No	No	No	No
Default Intercompany					
Fixed Intercompany					
Quantity	No	No	No	No	No
GL Account Unit of Measure					
Currency Tab					
Base Currency Only					
Currency Code	USD	GBP			
Revaluation GL					
TC Revaluation in BC	None	Revaluation Rate	None	None	None
Rate Type for Revaluation in BC					
TC Revaluation in SC	None	Revaluation Rate	None	None	None
Rate Type for Revaluation in SC					
Consolidation Method	Current exchange Rate	Current exchange rate	Current exchange rate	Current exchange rate	Current exchange rate
Exchange Rate Type					
Analysis Tab					
Analysis Type	None	None	None	None	None

Analysis Limit					
Default Cost Center					
Default Project					
SAF Structure Code					
Sub-Account	No	No	No	No	Yes
Default Sub-Account					DefSubAct
Report Link Tab					
GL Account					
Shared Set Code					
GL Description					
Banking Tab					
Entity Code		10USACO			
Default		Yes			
Bank Format		XX			
Bank Account No		99887766			
Business Relation Code					
Active		Yes			
SWIFT Code					
Branch					
Own GL Account					
Banking Daybook Profile		BEGBP			
AP Discount Account	5700	5700			
AR Discount Account	4220	4220			
Cash Tab					
Cash Recv Daybook Profile	CASHIN				
Cash Paid Daybook Profile	CASHOUT				

EMEA Exercise: Create GL Accounts

- 1 Change domain to 22UK -> 22UKCO and create the following GL accounts.

The GL Account Create fields are listed in the leftmost column.

The subsequent columns list the field values for each GL account to create.

General					
GL Account	12000	12250	30005	35075	15010
GL Descriptions	Petty cash GBP	Current Bank EUR	Sundry Inventory	Sundry transfers	Suppliers Exp notes
GL Type	Cash	Bank	Inventory	Open item	Supplier control
System Type					
Active	Yes	Yes	Yes	Yes	Yes
Budget Group					

Budget Enabled	Yes	Yes	Yes	Yes	Yes
Category	Asset	Asset	Asset	Asset	Liability
Posting Tab					
Balance/P&L	Balance	Balance	Balance	Balance	Balance
Debit/Credit	Debit	Debit	Debit	Debit	Credit
Auto/Manual	Manual	Manual	Auto	Manual	Auto
Intercompany Account	No	No	No	No	No
Default Intercompany					
Fixed Intercompany					
Quantity	No	No	No	No	No
GL Account UM					
Currency Tab					
Base Currency Only					
Currency Code	GBP	EUR			
Revaluation GL					
TC Revaluation in BC	None	Revaluation Rate	None	None	None
Rate Type for Revaluation in BC					
TC Revaluation in SC	None	Revaluation Rate	None	None	None
Rate Type for Revaluation in SC					
Consolidation Method	Current exchange Rate	Current exchange rate	Current exchange rate	Current exchange rate	Current exchange rate
Exchange Rate Type					
Analysis Tab					
Analysis Type	None	None	None	None	None
Analysis Limit					
Default Cost Center					
Default Project					
SAF Structure Code					
Sub-Account	No	No	No	No	Yes
Default Sub-Account					DefSubAct
Report Link					
GL Account					
Shared Set Code					
GL Description					
Banking					
Entity Code		22UKCO			
Default		Yes			
Bank Format		XX			
Bank Account No		888777			
Business Relation Code					

Active		Yes			
SWIFT Code					
Branch					
Own GL Account					
Banking Daybook Profile		BEEUR			
AP Discount Account	5700	5700			
AR Discount Account	4220	4220			
Cash					
Cash Recv Daybook Profile	CASHIN				
Cash Paid Daybook Profile	CASHOUT				

Set Up Sub-Accounts

General Ledger Setup



- Define the Chart of Accounts
- COA Validation
- **Set Up Sub-Accounts**
- Set Up Cost Centers
- Create Projects
- Define GL Units of Measure
- Create SAFs
- Operational Account Control



EE-GL-SU-100

To support different types of reporting and analysis, some accounts can be used in combination with sub-accounts.

Note You cannot add sub-account analysis to cross-company control accounts.

Sub-Account Highlights

Sub-Account Highlights

- Analyze the activity on a GL account
- Report activity of business units within entity
- Assign sub-account mask
- Generate separate reports
 - Balance Sheet
 - Profit and Loss
 - Open items report for customers or suppliers



EE-GL-SU-110

Use the Sub-Account activities (25.3.17) to create sub-accounts that let you analyze activity on an account code, and to provide further detail in financial reporting.

Sub-accounts are typically used to report on the financial activity of business units or divisions within an entity. You can create sub-accounts to correspond to those parts of the entity for which you would like to generate separate balance sheets, profit and loss statements, or open customer and supplier items. You can further analyze the sub-account by including it within a budget group.

A single GL account can be associated with multiple sub-accounts.

You can also use Sub-Account Create/Modify to assign a COA mask to the sub-account. A sub-account COA mask defines the list of GL accounts that the sub-account can be combined with during posting. If sub-account COA masks are not enabled for the current domain, the Sub-Account Mask Code field will be read only.

Set Up Cost Centers

General Ledger Setup



- Define the Chart of Accounts
- COA Validation
- Set Up Sub-Accounts
- **Set Up Cost Centers**
- Create Projects
- Define GL Units of Measure
- Create SAFs
- Operational Account Control



EE-GL-SU-130

Cost center codes break down activity and track expenses in accounts and sub-accounts, providing further detail in financial statements.

Cost Center Highlights

Cost Center Highlights

- Typically a department or profit center
- Assign cost center mask
- Retrieve SAF structure from GL account (optional)
- SAF set on date, SAF set on by

The screenshot shows the 'Cost Center Create' window with the following fields and values:

Field	Value
Cost Center	2450
Description	Software Development
Cost Center Administrator	
Budget Group	10000
SAF Set on Date	
Cost Center Mask Code	6100
Active	<input checked="" type="checkbox"/>
Retrieve SAF Structure from GL	<input type="checkbox"/>
SAF Structure Code	
SAF Set on by	
SAF Defaults	
SAF Concept Code	
SAF Code	



EE-GL-SU-140

Use the Cost Center activities (25.3.20) to create cost centers that provide an additional reporting level for the GL accounts and sub-accounts.

Typically, a cost center can be a department or profit center within the entity for which you want to generate separate reports. You can associate a range of different accounts and sub-accounts with a cost center, and associate a number of cost centers with a single account.

You can further analyze a cost center by including it within a budget group.

You can use Cost Center Create/Modify to assign a COA mask to the cost center. A cost center COA mask defines the list of GL accounts and sub-accounts that the cost center can be combined with during posting. If cost center COA masks are not enabled for the current domain, the Cost Center Mask Code field will be read only.

Create Projects

General Ledger Setup



- Define Chart of Accounts
- COA Validation
- Set Up Sub-Accounts
- Set Up Cost Centers
- **Create Projects**
- Define GL Units of Measure
- Create SAFs
- Operational Account Control



EE-GL-SU-150

Project codes provide project-specific reporting.

Project Highlights

Project Highlights

- Provide analytical reporting on activities
- Assign project mask
- Mandatory status and group
- Retrieve SAF structure from GL account (optional)



EE-GL-SU-160

Projects are chart of account (COA) elements that provide analytical reporting on activities, such as engineering design work or production rework.

You can associate a range of account codes, sub-account codes, and cost centers with a specific project or multiple projects. The COA mask determines the valid COA combinations (account, sub-account, cost center, and project) for posting.


Before creating projects, you must define two required codes: project groups and project status codes. You can post transactions to a project only if its system status is active.

Use Project Create (25.3.11.1.1) to create project codes.


You can also use Project Create/Modify to assign a COA mask to the project. A project COA mask defines the list of GL accounts, sub-accounts, and cost centers that the project can be combined with during posting. If project COA masks are not enabled for the current domain, the Project Mask Code field will be read only.

Define GL Units of Measure

General Ledger Setup



- Define Chart of Accounts
- COA Validation
- Set Up Sub-Accounts
- Set Up Cost Centers
- Create Projects
- **Define GL Units of Measure**
- Create SAFs
- Operational Account Control

EE-GL-SU-220

Units of measure are the values used in transactions that involve any type of quantifiable unit.

GL Units of Measure

GL Units of Measure

- For transactions that involve quantifiable units.
- Units of measure can refer to dimensions, weights, volumes, containers, or business activities.
 - Examples include inches, pounds, work hours, and days.
- Can be used in allocations.



EE-GL-SU-230

Use the GL Account UM activities (25.3.15) to create, delete, modify, or view units of measure.

Units of measure might describe dimensions, weights, volumes, or amounts of locations, containers, or business activities. Examples include inches, pounds, work hours, and days.

For example, an organization hires a communications consultant to help staff with their presentation skills. The consultant charges a daily rate and works for three days. The unit of measure is days. The transaction displays the quantity and unit of measure specified.

Another example of the use of units of measure is in allocations. If an organization allocates its electricity bill by department, the unit of measure would be kilowatt hours (kWh).

Create SAFs

General Ledger Setup



- Define the Chart of Accounts
- COA Validation
- Set Up Sub-Accounts
- Set Up Cost Centers
- Create Projects
- Define GL Units of Measure
- **Create SAFs**
- Operational Account Control



EE-GL-SU-240

SAF analysis is optional, but lets you create detailed views of data. Using SAFs, you can analyze a single account in many different ways by filtering based on the SAF codes included in the postings to the account.

Supplementary Analysis Fields (SAFs)

Supplementary Analysis Fields (SAF)

- Additional information linked to GL transactions
- System SAF concepts
 - Product line, site, item type
- User-defined SAF analysis
 - Simplified COA



EE-GL-SU-250

The system provides sub-account, cost center, project, and SAF analysis to be used for additional analytical reporting on transactions. SAF analysis is optional, but lets you create detailed views of data.

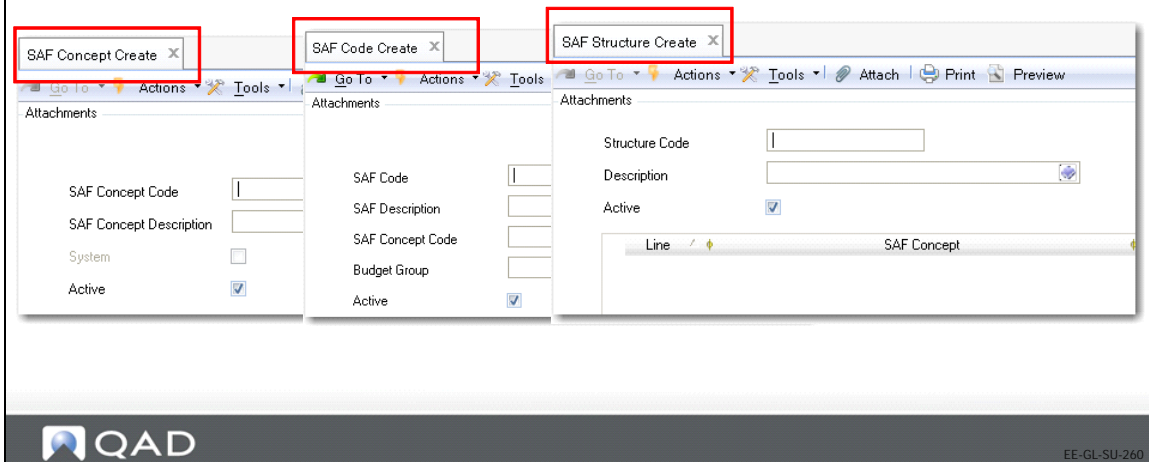
Using SAFs, you can analyze a single account in many different ways by filtering based on the SAF codes included in the postings to the account. A carefully planned set of SAF structures avoids the need to set up separate COA elements for individual reporting.

SAF analysis can be applied to all standard GL accounts except for bank, closing, and tax accounts. SAF analysis is not supported for system accounts, except for Purchase Order Receipts. You can apply SAF analysis to both revenue and expenses, and you would normally create a separate SAF structure for each of these types of transaction.

SAF Setup

SAF Setup

- Step 1: Create SAF concept and codes
- Step 2: Create SAF structure and add concepts and codes to it
- Step 3: Link structure to GL account, cost center or project



SAF analysis is managed through a combination of three elements:

- SAF concepts identify the type of analysis required.
- SAF codes define the analysis details. Associate the codes with an existing concept.
- SAF structures contain a selection of concepts in a logical sequence.

You associate the structure with a GL account, cost center, or project.

Seven SAF concepts are predefined and provided with the system. The predefined SAF concepts are designed to interact with operational transactions, and capture key analysis details used to report the GL effects of operations, such as sales by region, sales to OEM customers, or work orders by item type.

The following system concepts are provided:

Product Line

This concept captures values created in Product Line Maintenance (1.2.1) and associated with items used in operational transactions.

Site

This concept captures values created in Site Maintenance (1.1.13) and associated with items involved in operational transactions.

Item Type

This concept captures generalized code values created in Generalized Codes Maintenance (36.2.13) and associated with items in Item Master Maintenance (1.4.1) when those items are used in operational transactions.

Item Group

This concept captures generalized code values created in Generalized Codes Maintenance (36.2.13) and associated with items in Item Master Maintenance (1.4.1) when those items are used in operational transactions.

Region

This concept captures generalized code values created in Generalized Codes Maintenance (36.2.13) and associated with customers in Customer Data Maintenance (2.1.1) when those customers are referenced on operational transactions.

Customer Type

This concept captures codes created in Customer Type Create (27.20.4.1) and associated with customers in Customer Create (27.20.1.1) when those customers are referenced on operational transactions.

Supplier Type

This concept captures codes created in Supplier Type Create (28.20.4.1) and associated with suppliers in Supplier Create (28.20.1.1) when those suppliers are referenced on operational transactions.

While the system concepts are specifically designed to capture the details of operational transactions, you can use a combination of system- and user-defined concepts in the same structure, if required.

System concepts cannot be deleted, but can be disabled by clearing the Active field. Data is captured for a concept only when it is active. Since system concepts have a predefined meaning, you cannot modify other fields in the concept or create new system concepts.

Creating SAF Concepts

Use the SAF Concept activities (25.3.7.1) to create, view, modify, and delete SAF concepts.

Changing concepts has the following restrictions:

- You cannot delete a system SAF concept. You cannot delete a user-defined SAF concept if it has already been used in a transaction.
- You cannot create system concepts.
- The only value you can modify for a system concept is the Active setting.
- You cannot deactivate a concept if it is linked to an active SAF structure.

Creating SAF Codes

Use the SAF Code Activities (25.3.7.2) to create the values that you assign to an SAF concept. SAF codes generally correspond to the individual item that requires analysis. For example, you can track transactions relating to a particular vehicle belonging to the organization by creating an SAF code of the vehicle registration number.

Every SAF concept must have at least one default SAF code, defined in the SAF structure where it is used; you can link any number of codes to the same concept.

Build SAF analysis for an account by creating an SAF code for each type of transaction that updates the account.

Creating SAF Structures

Use SAF Structure activities (25.3.7.4) to combine up to five SAF concepts in a sequence. You then link the structure to general ledger accounts, cost centers, or projects. You can only associate one SAF structure with a GL account, cost center, or project.

When an SAF structure is associated with a project, cost center, or GL account and a transaction updates that element, the SAF concepts and default codes are displayed in the transaction posting lines.

- For system concepts based on operational transactions, values are retrieved automatically.
- When user-defined concepts have more than one value, you must select the value to use when you create the transaction.

SAF structures are independent of the entity and domain, and can contain both system and user-defined concepts.

Each structure must contain a minimum of one concept, up to a maximum of five concepts. Each concept must have one and only one default value, which is used to supply a value based on the defaulting logic. Other defaults are optional, but the one associated with the structure is required and used when more specific defaults have not been defined.

After an SAF structure has been used in a transaction, you cannot delete any of the associated SAF concepts.

SAF Reporting and Related Views

The following reports provide detailed and summarized information on transactions, filtered by specific SAF codes or concepts.

- SAF Code Transactions Detail (25.15.3.6)
- SAF Code Transactions Summary (25.15.3.5)

The Transactions by SAF Related View (25.15.4.4) gives an on screen summary of transactions filtered by SAF code.

SAF Usage Example

SAF Usage Example

SAF structure : Travel Costs				
SAF concept	SAF code	SAF code	SAF code	SAF code
Travel mode	Air	Train	Car	Taxi
Travel reason	Training	Internal meeting	Customer visit	Sales
Traveler	Walter J	Carol M	Ryan O	Mary B

US and EMEA Exercise: Supplementary Analysis Fields (SAFs)

- 1 Create a new SAF structure, Introduction. Use SAF Concept Create (25.3.7.1.1) to create the following concepts:

Field	Value
SAF Concept Code:	Campaign
SAF Concept Description:	Promotional Campaign

Field	Value
SAF Concept Code:	Market
SAF Concept Description:	Market for Product Introduction

- 2 Use SAF Code Create (25.3.7.2.1) to create the following SAF codes:

Field	Value
SAF Code:	Ultrasound
SAF Description:	Campaign for Ultrasound
SAF Concept Code:	Campaign

Leave the other fields blank.

Field	Value
SAF Code:	ConsumerUltrasound
SAF Description:	Campaign for Consumer Ultrasound
SAF Concept Code:	Campaign

Leave the other fields blank.

Field	Value
SAF Code:	NA
SAF Description:	North America
SAF Concept Code:	Market

Leave the other fields blank.

Field	Value
SAF Code:	SA
SAF Description:	South America
SAF Concept Code:	Market

Leave the other fields blank.

Field	Value
SAF Code:	NE
SAF Description:	Northern Europe
SAF Concept Code:	Market

Leave the other fields blank.

- 3 Use SAF Structure Create (25.3.7.4.1) to create a SAF structure.

Field	Value
Structure Code:	Introduction
Description:	Market Introduction of New Products

Add concepts Campaign and Market to the SAF structure.

- 4 Use GL Account Create (25.3.13.1) to create a new GL account.

Field	Value
Account:	44100
Description:	Market Introduction
GL Type:	Standard Account
Category:	Expense

Analysis Tab

Analysis Type:	SAF
SAF Structure Code:	Introduction
Sub-Account:	Yes
Default Sub-Account:	DefSubAct

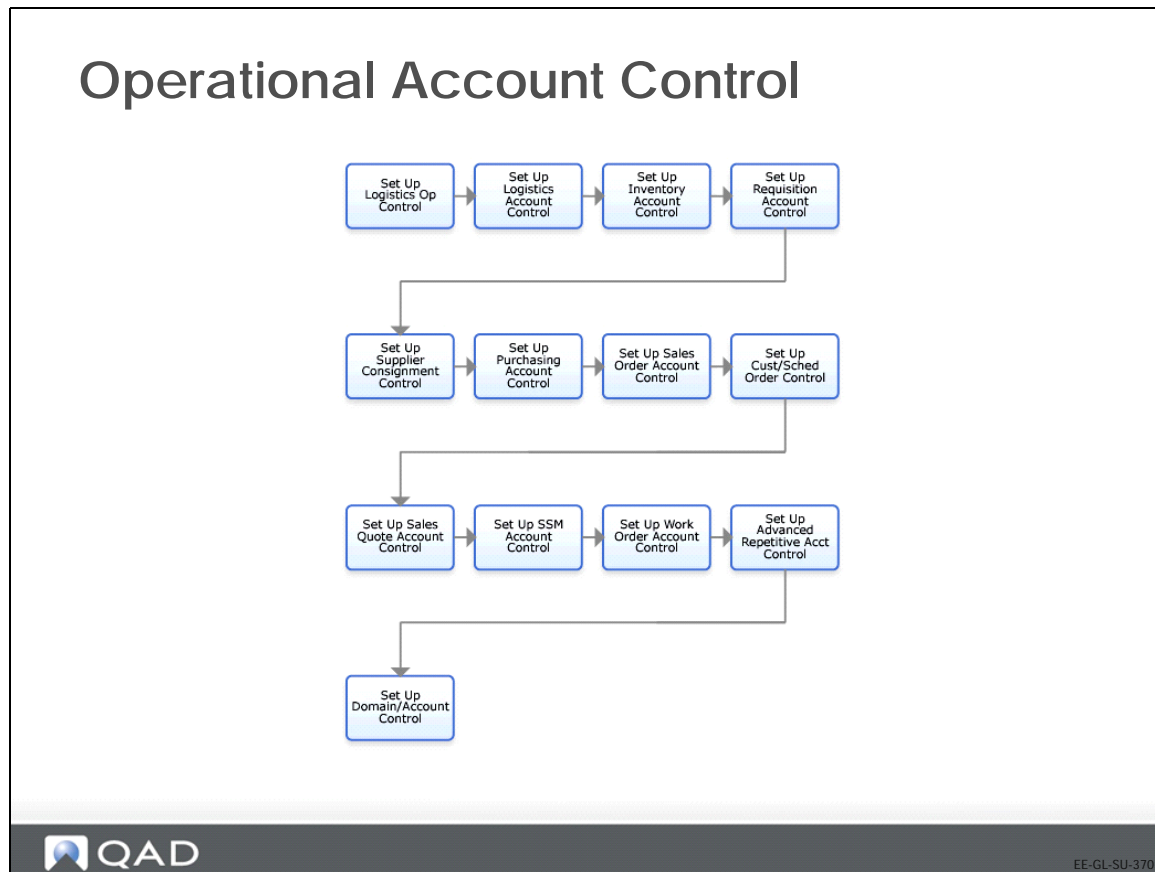
Operational Account Control

General Ledger Setup



- Define Chart of Accounts
- COA Validation
- Set Up Sub-Accounts
- Set Up Cost Centers
- Create Projects
- Define GL Units of Measure
- Create SAFs
- **Operational Account Control**

Operational Account Control



Operational Account Control

As part of initial system implementation, you should set up values in the various control programs on the Operational Acct Controls menu (36.9). The settings in each control program affect operations within a specific business area. Typically, these settings represent a subset of all the settings that affect the related business area. These control settings have been separated because they have a financial effect on all modules, and should be defined only by a financial analyst with security access to this function.

Operational Account Defaults

Operational Account Defaults

- Logistics Op Accounting Control
- Inventory Accounting Control
- Requisition Accounting Control
- Supplier Consignment Accounting Control
- Purchasing Accounting Control
- Sales Order Accounting Control
- Cust Sched/Shipper Accounting Control
- Sales Quote Accounting Control
- SSM Accounting Control
- Work Order Accounting Control
- Advanced Repetitive Accounting Control



EE-GL-SU-380

Logistics Operational Accounting Control (36.9.1) affects the operation of Logistics Accounting. This is an optional module described in *User Guide: QAD Master Data* and *User Guide: Financials A*. You define a number of default GL accounts in this program.

Inventory Accounting Control (36.9.2) determines the costing impacts of inventory transactions, and how GL transactions are created. A Transfer Clearing Account is also defined here. Inventory Control is described in *User Guide: QAD Master Data*.

Requisition Accounting Control (36.9.3) determines financial approval limits and related settings for creating requisitions with the Global Requisition System, described in *User Guide: QAD Purchasing*.

Supplier Consignment Accounting Control (36.9.4) contains settings that affect inventory costing in the supplier consignment work flow, described in *User Guide: QAD Purchasing*.

Purchasing Accounting Control (36.9.5) contains settings that affect the financial impact of purchasing activities, included default accounts for PO Interest Applied. Purchasing is described in *User Guide: QAD Purchasing*.

Sales Order Accounting Control (36.9.6) contains settings that determine the financial impact of the sales order and invoicing flow, including credit management, the default daybook set, trailer codes, how sales person commission is calculated, and whether price lists are required. Sales and invoicing are described in *User Guide: QAD Sales*.

Customer Scheduled Orders/Shipper Accounting Control (36.9.7) contains settings that determine invoicing defaults for shipments using containers and shippers. The Customer Scheduled Orders module is described in *User Guide: QAD Scheduled Order Management*. Containers and shippers are described in *User Guide: QAD Sales*.

Sales Quote Accounting Control (36.9.9) contains settings that determine the address printed on the quote, whether price lists are required, and how freight is calculated. Sales quotes are described in *User Guide: QAD Sales*.


SSM Accounting Control (36.9.10) contains settings that affect the financial aspects of service contracts, contact billing, and call processing. SSM is described in *User Guide: QAD Service/Support Management*.

Work Order Accounting Control (36.9.11) contains settings that affect the financial impact of work order completion. Work orders are described in *User Guide: QAD Manufacturing*.


Advanced Repetitive Accounting Control (36.9.12) contains the default account for WIP transfers. Repetitive functions are described in *User Guide: QAD Manufacturing*.

Create Accounting Layers

General Ledger Setup



- **Create Accounting Layers**
- Create Daybooks
- Define the GL Calendar Year and GL Periods

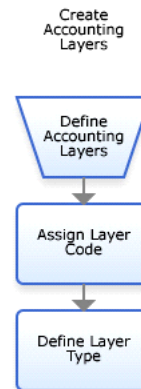
EE-GL-SU-390

Accounting layers provide different ways of segregating transactions within a single GL account.

Accounting Layer Features

Accounting Layer Features

- Primary, secondary, and transient layer types.
- Associate daybooks with a layer.
- Change daybook to move to other layer.
- Mass Layer Transfer to move transactions in batch
- Optionally, select multiple layers for reporting.



EE-GL-SU-400

The posting of transactions is controlled by associating daybook types with one of the three system-defined accounting layers: primary (official), secondary (management), and transient.

Transient Layer

Transient accounting layers enable temporary posting for review or analysis, before official posting and publication of accounts.

A limited number of transactions can be posted to the transient layer:

- Consolidation
- Journal entries
- Reversing entries
- Matching postings for supplier invoices

Transactions posted to this layer have no impact on GL, and can be modified or deleted.

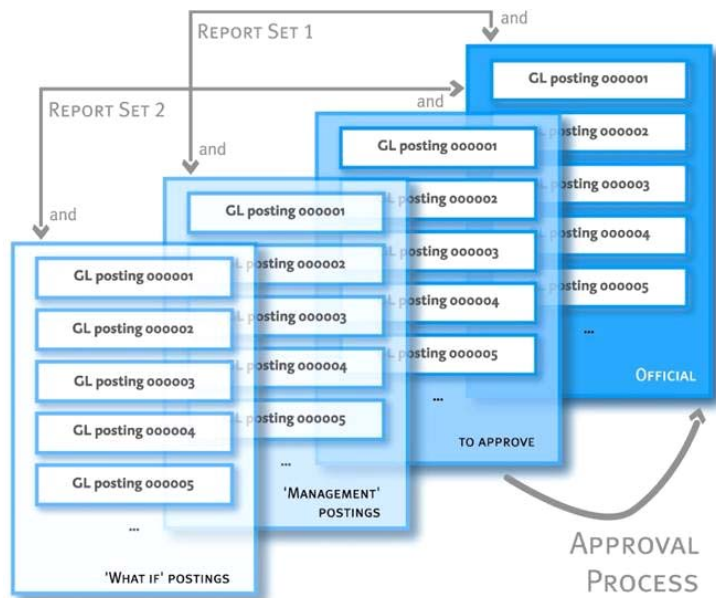
Secondary Layer

The secondary layer is labelled “management layer” in the application.

Use secondary layers to provide different types of GAAP reports within one organization. For example, you can compile a set of local accounts for a French subsidiary of a US parent organization that comply with French GAAP standards. You can then compile US GAAP accounts for the parent company, and generate reports on the combination of the two sets. Then, review your subsidiary accounts, and create correction and adjustment transactions to make these accounts comply with the parent company GAAP standards.

Accounting Layers and Reporting

Accounting Layers and Reporting




- Reporting can be based on:
 - A single layer
 - Or a combination of layers
- Layer combinations for reporting can be stored as user preferences
- An account can have a balance for each layer

Financials reports let you select multiple layers at a time, for example, both the primary layer and secondary layer to include management adjustments.


Any combination is possible, as shown in the slide.

Create Daybooks

General Ledger Setup



- Create Accounting Layers
- **Create Daybooks**
- Define the GL Calendar Year and GL Periods

EE-GL-SU-430

Daybooks, also known as journals, are system or user-defined views of the general ledger and contain all transactions.

The use of daybooks is mandatory in all modules. Daybooks provide many advantages in terms of analysis, segregation of transactions, numbering, and consequently, speed of period close.

Daybooks

Daybooks

- System or user defined GL views
- Mandatory
- Useful for analysis and period close
- Document numbering control
- Financial, operational, external
- Daybook groups
- Daybook reporting



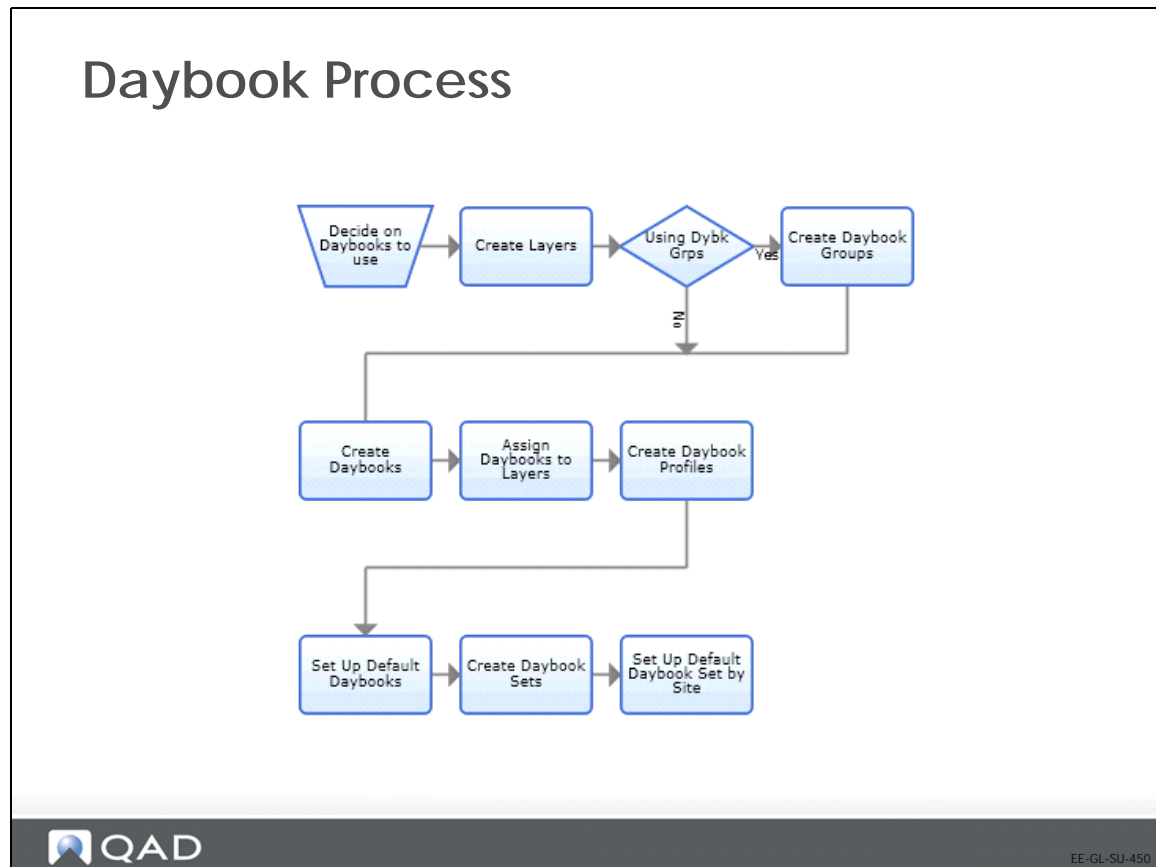
EE-GL-SU-440

Daybooks can be used to distinguish between different types of journal entries, such as auditor adjustments, payroll entries, GAAP adjustments, and manually prepared accruals.

Daybooks provide the ability to separate records by transaction. If you use a particular daybook code for certain types of transaction, you can then browse and filter based on that code. The ability to filter based on the daybook code facilitates period close because you can easily identify and review transactions of a certain type and identify unusual activity.

Daybooks also provide a controlled mechanism for having several different transaction numbering sequences. The numbering system prevents fraud, since each daybook produces its own integral numbering sequence.

Daybook Process Map



The slide shows the business process for creating daybooks.

Daybook Create

Daybook Create

The screenshot shows the 'Daybook Create' window with the following fields and values:

Field	Value
Daybook Code	APPAY
Description	Supplier Payments
Second Description	
Daybook Type	Supplier Payments
Layer Code	Primary
Active	<input checked="" type="checkbox"/>
Daybook Control	Financial
Daybook Group Code	
Access Role	

QAD

EE-GL-SU-470

Use the Daybook (25.8.1) activities to create, view, modify, and delete daybooks. Daybooks contain the transaction posting lines, and control the posting of transactions because each daybook must be linked to an accounting layer. In addition, each daybook is associated with a daybook control type, which separate postings based on their source.

Operational Daybooks

Operational Daybooks

- GL postings from:
 - Fixed Assets
 - Inventory Control
 - Sales Orders, Invoices
 - Work Orders
- Default daybooks to group transactions



EE-GL-SU-475

Operational daybooks control GL postings that originate from programs in the Fixed Assets and operational modules, such as Inventory Control, Sales Orders/Invoices, and Work Orders.

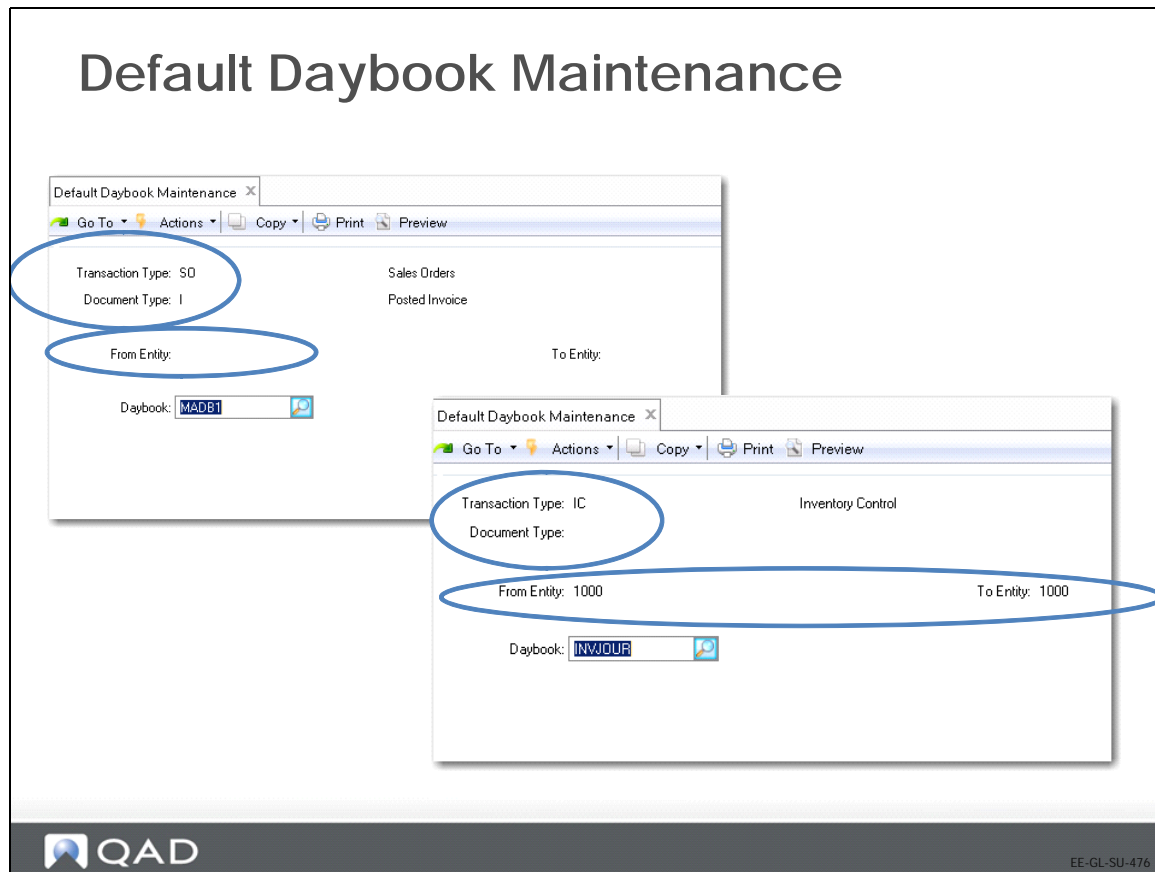
Use default daybooks to group operational transactions by type, depending on your business needs.

Depending on the operational function, you can set up daybook controls in two ways:

- 1 Control the granularity of daybook assignments by defining default daybooks based on transaction type, document type, or entity.
- 2 If the business does not require this level of control, simply assign all operational transactions to a system daybook.

To make a daybook available for operational transactions, set *Daybook Control* to Operational in Daybook Create (25.8.1.1). Otherwise, the daybook cannot be referenced in the default or daybook set programs.

Default Daybook Maintenance



Use Default Daybook Maintenance (25.8.4) to control the assignment of the following type of operational GL transactions to daybooks: Fixed Assets (FA), Inventory Control (IC), Sales Orders (SO - non-invoice transactions only; invoice daybooks are controlled by daybook sets), and Work Orders (WO).

When creating a transaction, the system automatically searches for a matching daybook.

Important At a minimum, you must create a system daybook record, which has transaction type, document type, and entity range blank. This is the daybook used when the system cannot find a record that matches the transaction.

Daybook Sets

Daybook Sets

- For both AR and AP transactions
- Assigned to customer bill-to in Customer Data Maintenance
- Assigned to suppliers in Supplier Data Maintenance
- Separate daybooks for
 - Invoices
 - Credit notes
 - Intercompany transactions
 - Correction invoices
- By domain or by site



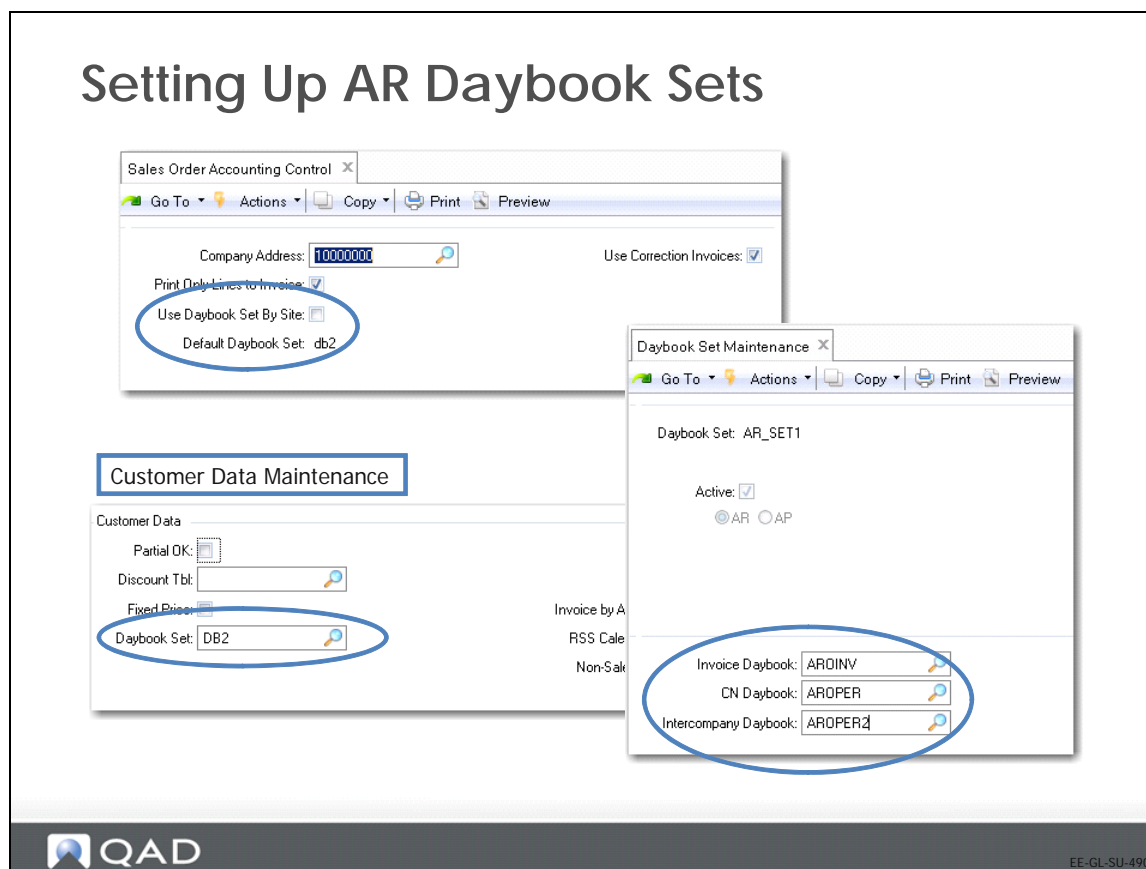
EE-GL-SU-480

QAD Financials lets you create daybook sets for both AR and AP transactions.

Depending on your company's business requirements, you can define daybook sets either for the entire domain or for individual sites. For AR daybooks, this is configured in Sales Order Accounting Control (36.9.6) and, for AP daybooks, in Purchasing Accounting Control. The site-based method supports the legal requirement in some countries, where you must use a different invoice sequence for each shipping and receiving site.

Note Regardless of which method you use, you must define at least one daybook set each for AR and AP. These are needed as the defaults for new customer and supplier records.

Setting Up AR Daybook Sets



Before defining AR daybook sets, define the individual daybooks in Daybook Create (25.8.1.1).

Define AR daybook sets in Daybook Set Maintenance. All daybook sets must contain daybooks for invoices and credit notes, as well as an intercompany daybook for transactions that involve more than one entity. Additionally, when Use Correction Invoices is selected in Sales Order Accounting Control for AR daybook sets, each daybook set must specify daybooks for correction invoices and correction credit notes.

Alternatively, when Daybook Sets by Site is selected in Sales Order Accounting Control, use Daybook Sets by Site Maintenance to define site specific AR daybook sets.

After creating daybook sets, assign one to each customer address in Customer Data Maintenance (2.1.1).

- When you define daybook sets by site, Customer Data Maintenance looks for the first active daybook set that matches the default customer site. If one has not been defined, it uses the first active daybook set with a blank site. If no definitions have been set up by site, you must create at least one with blank site before you can complete Customer Data Maintenance records.
- Otherwise, the customer daybook set value defaults from the Default Daybook Set field in Sales Order Accounting Control. However, you can overwrite this value.

Note That field is not available when Use Daybook Set by Site is selected.

The customer record determines the default daybook set for new orders. You can update the daybook set in the following programs:

- Sales Order Maintenance (7.1.1)
- Customer Scheduled Order Maintenance (7.3.13)
- Sales Order Shipments (7.9.15)
- Sales Quote Maintenance (7.12.1)
- Pending Invoice Maintenance (7.13.1)
- Call Activity Recording (11.1.1.13)
- Call Invoice Recording (11.1.1.15)
- RMA Maintenance (11.7.1.1)

Setting Up AP Daybook Sets

The image displays three screenshots from the QAD software interface, illustrating the setup of AP Daybook Sets.

Top Left: Purchasing Accounting Control
 This window shows the 'Purchasing Accounting Control' form. The 'Default Daybook Set' field is set to 'ITL DBS'. The 'Allow Supplier Invoice Daybook Update' checkbox is checked. The 'Use Daybook Set By Site' checkbox is also checked.

Top Right: Daybook Set Maintenance
 This window shows the 'Daybook Set Maintenance' form. The 'Daybook Set' is 'ITL DBS' (Italian Daybook Set). The 'Active' checkbox is checked. The 'Invoice Daybook' is 'ITLAPINV' and the 'CN Daybook' is 'ITLAPCN'. The 'Daybook Set' dropdown is set to 'ITL DBS'.

Bottom Left: Supplier Data Maintenance
 This window shows the 'Supplier Data Maintenance' form. The 'Supplier' is 'Acme Supply Co.'. The 'Daybook Set' dropdown is set to 'ITL DBS'.

Bottom Right: Supplier Data Maintenance (Details)
 This window shows the details for the 'Supplier Data Maintenance' form. The 'Daybook Set' dropdown is set to 'ITL DBS'.

Before defining AP daybook sets, you must define the individual daybooks in Daybook Create (25.8.1.1).

Define AP daybook sets in Daybook Set Maintenance. All daybook sets must contain daybooks for invoices and credit notes, as well as an intercompany daybook for transactions that involve more than one entity.

When Accounts Payable is set to Yes in the AP AR Correction section of GL Correction Control for AP daybook sets, each daybook set must also specify daybooks for correction invoices and correction credit notes.

Alternatively, when Daybook Sets by Site is selected in Purchasing Accounting Control, use Daybook Sets by Site Maintenance to define site specific AP daybook sets.

After creating daybook sets, assign one to each supplier address in Supplier Data Maintenance (2.3.1). The system determines the default value for new supplier records as follows:

- When daybook sets are defined by site, Supplier Data Maintenance looks for the first active daybook set that matches the default supplier site. If one has not been defined, it uses the first active daybook set with a blank site. If no definitions have been set up by site, at least one with a blank site must be created before you can complete Supplier Data Maintenance records.
- Otherwise, the supplier daybook set value defaults from the Default Daybook Set field in Purchasing Accounting Control (36.9.5). However, you can overwrite this value.

The supplier record determines the default daybook set for new orders. You can update the daybook set in the following programs:

- Purchase Order Maintenance (5.7)
- Supplier Scheduled Order Maintenance (5.5.1.13)

When a supplier scheduled order is a trade sales order, the Daybook Set field defaults from the related supplier, but will be read only.

- Blanket Order Maintenance (5.3.1)

US Exercise: Daybook Setup

In this exercise, you will create an operational daybook that you will use as default for all fixed asset transactions. Then, you will create a set of daybooks that you will use as defaults for sales orders by site.

Log in to 10USACO.

- 1 In Daybook Group Create (25.8.2.1), define the following daybook groups:

Field	Group 1	Group 2	Group 3
Daybook Group Code	FA-TRANS	CU-TRANS	IC-TRANS
Description	Fixed Assets Transactions	Customer Transactions	Intercompany Transactions

- 2 Use Daybook Create (25.8.1.1) to create the following daybooks. Click Save and Create after each daybook. Finally, click Save when you have created the last daybook.

Field	Daybook 1	Daybook 2	Daybook 3
Daybook Code	FA-DB	CIDB	CCNDB
Description	Fixed Assets	Customer Invoices	Customer Credit Notes
Daybook Type	Journal Entries	Customer Invoices	Customer Credit Notes
Layer Code	Primary	Primary	Primary
Daybook Control	Operational	Operational	Operational
Daybook Group:	FA-TRANS	CU-TRANS	CU-TRANS

Field	Daybook 4	Daybook 5
Daybook Code	ICDB2	CADB
Description	Intercompany	Customer Adjustments
Daybook Type	Journal Entries	Customer Adjustments
Layer Code	Primary	Primary
Daybook Control	Operational	Operational
Daybook Group:	IC-TRANS	CU-TRANS

- 3 In Default Daybook Maintenance (25.8.4), set the daybook default for fixed assets transactions:

Field	Daybook 4
Transaction Type	FA
Document Type	<blank>
From Entity	10USACO
To Entity	10USACO
Daybook	FA-DB

Click Next to save, then Back to leave. Now, fixed asset transactions are linked to your new daybook by default.

- 4 Next, define a default daybook set for site 10-100. In Sales Order Accounting Control (36.9.6), select the Use Daybook Set by Site field and the Use Correction Invoices field.
- 5 In Daybook Set by Site Maintenance (25.8.10), create a new AR daybook set for site 10-100.

Click Next to go from screen to screen.

Field	Value
Daybook Set	10SALES
Site	10-100
Type	AR
Active	Yes
Copy from Site	<blank>

Note If the field lookups for the following fields are empty, manually enter the values in the fields.

Field	Value
Invoice Daybook	CINV
CN Daybook	CCN
Intercompany Daybook	JE
Correction Invoices (Negative)	CCNDB
Correction Credit Notes (Negative)	CINV-CA
Correction Invoices (Positive)	CINV
Correction Credit Notes (Positive)	CCN-CA
Adjustment Daybook	CADB

Now, any new customer created and attached to this site will be linked to the daybook set 10SALES.

EMEA Exercise: Daybook Setup

In this exercise, you will create an operational daybook that you will use as default for all fixed asset transactions. Then, you will create a set of daybooks that you will use as defaults for sales orders by site.

Log in to 22UKCO.

- 1 In Daybook Group Create (25.8.2.1), define the following daybook groups:

Field	Group 1	Group 2	Group 3
Daybook Group Code	FA-TRANS	CU-TRANS	IC-TRANS
Description	Fixed Assets Transactions	Customer Transactions	Intercompany Transactions

- 2 Use Daybook Create (25.8.1.1) to create the following daybooks. Click Save and Create after each daybook. Finally, click Save when you have created the last daybook.

Field	Daybook 1	Daybook 2	Daybook 3
Daybook Code	FA-DB	CIDB	CCNDB
Description	Fixed Assets	Customer Invoices	Customer Credit Notes
Daybook Type	Journal Entries	Customer Invoices	Customer Credit Notes
Layer Code	Primary	Primary	Primary
Daybook Control	Operational	Operational	Operational
Daybook Group	FA-TRANS	CU-TRANS	CU-TRANS

Field	Daybook 4	Daybook 5
Daybook Code	ICDB2	CADB
Description	Intercompany	Customer Adjustments
Daybook Type	Journal Entries	Customer Adjustments
Layer Code	Primary	Primary
Daybook Control	Operational	Operational
Daybook Group	IC-TRANS	CU-TRANS

- 3 In Default Daybook Maintenance (25.8.4), set the daybook default for fixed assets transactions:

Field	Daybook 4
Transaction Type	FA
Document Type	<blank>
From Entity	22-100
To Entity	22-100
Daybook	FA-DB

Click Next to save, then Back to leave. Now, fixed asset transactions are linked to your new daybook by default.

- 4 Next, define a default daybook set for site 22-100. In Sales Order Accounting Control (36.9.6), select the Use Daybook Set by Site field and select the Use Correction Invoices field.
- 5 In Daybook Set by Site Maintenance (25.8.10), create a new daybook set for site 22-100.

Click Next to go from screen to screen.

Field	Value
Daybook Set	22SALES
Site	22-100
Type	AR
Active	Yes
Copy from Site	<blank>


Note If the field lookups for the following fields are empty, manually enter the values in the fields.

Field	Value
Invoice Daybook	CINV
CN Daybook	CCN
Intercompany Daybook	JE
Correction Invoices (Negative)	CCNDB
Correction Credit Notes (Negative)	CINV-CA
Correction Invoices (Positive)	CINV
Correction Credit Notes (Positive)	CCN-CA
Adjustment Daybook	CADB


Now, any new customer created and attached to this site will be linked to the daybook set 22SALES.

Define the GL Calendar

General Ledger Setup



- Create Accounting Layers
- Create Daybooks
- **Define the GL Calendar Year and GL Periods**

EE-GL-SU-530

The financial calendar consists of user-defined GL calendar years and GL periods.

GL Calendar

GL Calendar

- Consists of user-defined GL calendar years and GL periods.
- Divides the fiscal year into smaller subsets to manage and report on business activities.
- GL calendar year is defined at domain level.
- GL period does not have to correspond to a calendar month.



EE-GL-SU-540

Creating GL periods lets you divide the fiscal year into smaller subsets in order to manage and report on business activities. Opening or locking a GL period allows an organization to better control its accounting and reporting processes.

GL Period Types

GL Period Types

- Use to differentiate special activity from standard period activity.
- GL period types:
 - Normal (default)
 - Correction
- Used to make adjustments to after review of year-end statements.
 - Year-End Closing
 - Generated by the system as part of the Year-End Closing process.



EE-GL-SU-550

All periods are initially of Normal type. If you need special periods for year-end processing or corrections, create new GL periods of the appropriate type.

Normal is the default standard period.

Correction is used when a review of the year-end statements results in the need to make adjustments to the accounts before official publication. The correction period is normally the last GL period in the GL calendar year.

Note Once you have created a Correction GL period for a GL calendar year, you cannot create any further periods of type Normal.

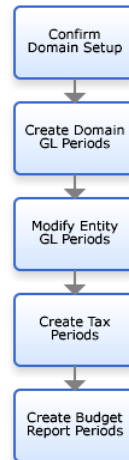
Year-End Closing periods are generated by the system as part of the Year-End Closing process.

GL Calendar Functions

GL Calendar Functions

- Domain GL Period function
 - Use to define the GL calendar year.
 - GL periods are copied to all entities linked to the domain.
- Entity GL Period function
 - Apply GL period settings to entities.
 - Lock, unlock, report, and undo GL periods.
 - Create, modify, and delete Correction or Year-End Closing GL periods.

Define GL Calendar (EF)



EE-GL-SU-560

Use the Domain GL Period activities (25.4.1) to create, modify, or view the domain-level GL calendar year. When you choose Create, the following screen displays. You can create a new year based on an existing one. This is typically used unless you have changed your legal GL calendar year requirements.

Use the Entity GL Period activities (25.4.2) to manage the GL periods for a specific entity. The changes you make in this function do not affect the other entities in a domain.

You can:

- Modify GL period attributes, such as the upper and lower posting limits. The limits allow you to define the posting date range, and provide an additional level of control to the posting process.
- Lock periods to prevent further transactions or unlock them. You can lock and unlock application areas separately, so that the period can be open to sales transactions, but closed to inventory transactions.
- Report the period, closing it to further updates, and also undo the reporting if additional changes are needed.
- Delete a GL period if the period is open and no outstanding transactions exist for it.

Using Entity GL Period Create, you can also create entity-specific GL periods with a type of Correction or Year-End Closing. Normal GL period types are view-only.

Specialized Calendars

Specialized Calendars

- Tax Period Create (25.4.5.1)
 - Define entity-based calendars for tax reporting periods.

Tax Pd	Start Date	End Date	Status
01	01/01/2009	01/31/2009	Open
02	02/01/2009	02/28/2009	Open
03	03/01/2009	03/31/2009	Open
04	04/01/2009	04/30/2009	Open
05	05/01/2009	05/31/2009	Open

- Budget Report Period Create (25.4.5.1)
 - Define periods used in budget reports.

Year	GL Period	Start Date	End Date	Reported
2011	01	01/01/2011	01/31/2011	<input checked="" type="checkbox"/>
2011	02	02/01/2011	02/28/2011	<input type="checkbox"/>
2011	03	03/01/2011	03/31/2011	<input type="checkbox"/>
2011	04	04/01/2011	04/30/2011	<input type="checkbox"/>



EE-GL-SU-570

Use Tax Period Create (25.4.5.1) to define entity-based calendars for tax reporting periods. When defined, closing a tax period prevents additional tax transactions from being posted. Tax periods and reporting are described in the Global Tax Management chapter in *User Guide: QAD Global Tax Management*.

Use Budget Report Period Create (25.4.5.1) to define periods used within the budgeting area.

GL Period Statuses

GL Period Statuses

- The status associated with a GL period determines what kind of activity can take place.
- A period can have one of four assigned statuses.

GL Pd	Start Date	End Date	Status	GL Period Type	AP	GL	Sales	Inventory
01	01/01/2008	01/31/2008	Open	Normal				
02	02/01/2008	02/29/2008	Open	Normal				
03	03/01/2008	03/31/2008	Open	Normal				
04	04/01/2008	04/30/2008	Open	Normal				
05	05/01/2008	05/31/2008	Open	Normal				
06	06/01/2008	06/30/2008	Open	Normal				
07	07/01/2008	07/31/2008	Open	Normal				
08	08/01/2008	08/31/2008	Open	Normal				
09	09/01/2008	09/30/2008	Open	Normal				
10	10/01/2008	10/31/2008	Open	Normal				
11	11/01/2008	11/30/2008	Open	Normal				
12	12/01/2008	12/31/2008	Open	Normal				

Period Statuses

- Open
- Closed/Locked
- Reported
- Frozen

The status associated with a GL period determines what kind of activity can take place. A period can have one of four assigned statuses:

Open. This is the normal period status and applies when no closing date has been set for the period. Transactions are normally posted during open periods, except when the period has been closed and re-opened.

Closed/Locked. This status applies when the period is subject to a monthly closing. You can close a GL period for one entity and leave it open for all other entities in the same domain. You can unlock a GL period if more transactions need to be processed for that period.

Reported. The Reported status applies to a period for which Monthly Closing has been successfully run and reported. You can reset a reported GL period to a different status.

Frozen. When you run Monthly Closing for a period, the Frozen status is automatically applied to the previous period. A Frozen period cannot be reopened.

Period Status Application Areas

Period Status Application Areas

- Lock areas separately
 - GL, AP, Sales, Inventory
 - Locking GL locks all areas, including fixed assets
- Global period status change
 - Period lock – locks all application areas
 - Re-open selected application area
- Application area status change
 - Locking an application area has no impact on other areas
 - Re-opening an application area has no impact on other application areas, but global status is open



EE-GL-SU-590

You can close GL periods by GL transaction type. This lets you, for example, prevent any more sales order shipments, while still allowing banking entry in the GL. The GL module overrides the other area modules, and when closed, prevents transactions of any type for the period.

The application areas that can be closed separately are:

- GL, which closes all areas including fixed assets.
- AP, which closes the AP sub-ledger in financials.
- Sales, which closes the AR sub-ledger in financials.
- Inventory, including all inventory (IC) and work order (WO) transactions created in operational functions.

Review

Course Overview

- Introduction to General Ledger
- Business Considerations
- Set up General Ledger
- Process General Ledger Transactions

Chapter 4

Processing GL Transactions

Course Overview

Use General Ledger

In this section you learn how to:

- Identify key business considerations before setting up the General Ledger

- Set Up the General Ledger in QAD Enterprise Edition

- ✓ **Process General Ledger transactions in QAD Enterprise Edition**



GL-PR-010

General Ledger Transactions

General Ledger Transactions



- Posting
- Templates
- Recurring Entries
- Reversing Journal Entries
- Mass Layer Transfer
- Open Item Adjustment
- Revaluation



GL-PR-020

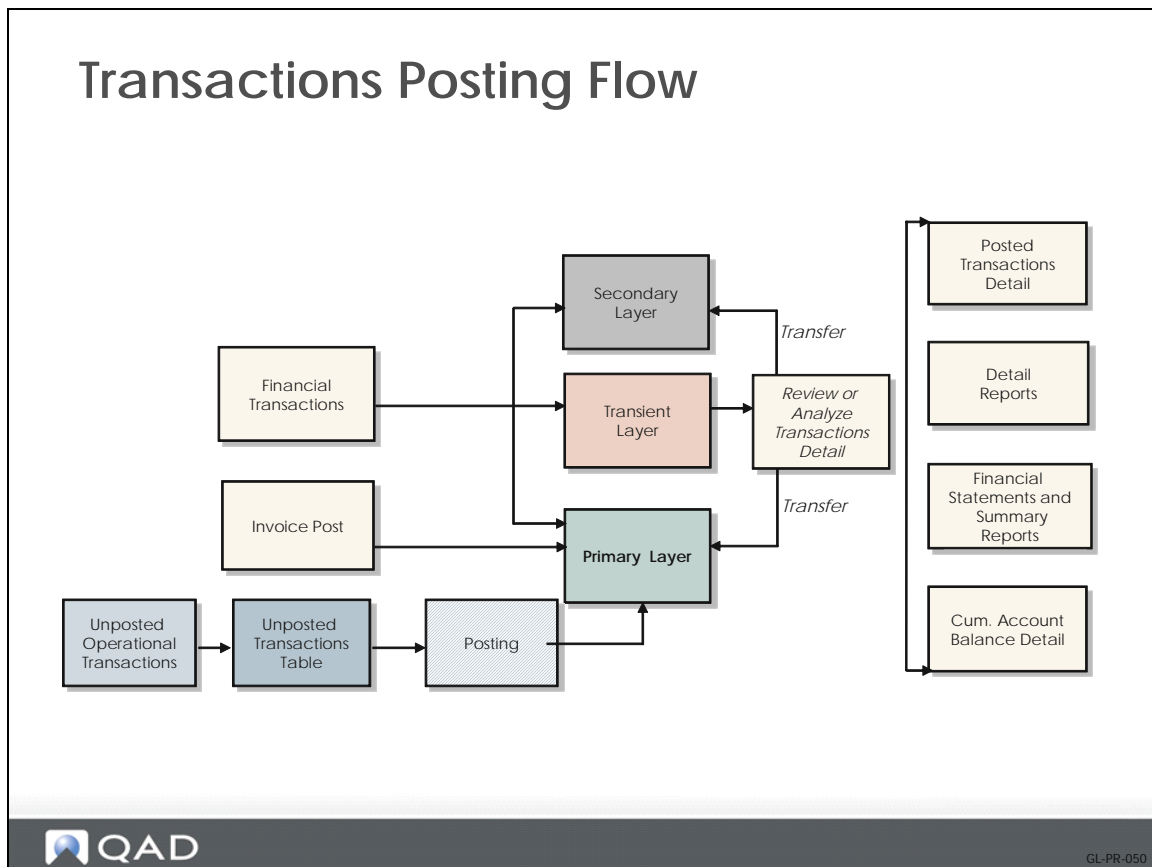
The general ledger (GL) is a record of all transactions that occur in an entity. It is maintained by recording debit and credit transactions in a process known as posting. After transactions have been posted, the balance in each account is updated.

General Ledger Transactions – Continued



- Intercompany and Cross-company Transactions
- Mirror Accounting
- Year-End Close
- GL Reports

Transactions Posting Flow



The general ledger is a record of all transactions that occur in the entity. It is maintained by recording debit and credit transactions in a process known as *posting*. After posting, the balance of each account is updated, and the transaction becomes a permanent part of your financial records and cannot be modified directly.

The posting process is controlled by associating daybook types with one of the three system-defined accounting layers: primary, secondary, and transient. Accounting layers provide different ways of segregating transactions within a single GL account.

Most operational GL transactions originate from manufacturing, purchasing, and inventory movement, and are created as unposted transactions. The system collects most operational transactions in an unposted transaction table that is not associated with an accounting layer. Once the transactions are verified, you must post them to the primary layer to update GL account balances. However, certain operational transactions, such as invoice post, are not collected in an unposted transaction table, and are posted directly to the primary layer of the general ledger.

Finalized financial transactions can be entered directly in the primary layer using a single journal-entry process. During posting, the transaction detail in the posting line is used to update cumulative account balance detail records.

Journal Entry

General Ledger Processing



- Posting
 - **Journal Entry**
 - Operational Transactions
- Templates
- Recurring Entries
- Reversing Journal Entries
- Mass Layer Transfer
- Open Item Adjustment
- Revaluation



GL-PR-060

A journal entry, or posting, is the basic transaction in the accounting system. Journal entries are often composed of multiple posting lines, each associated with a GL account and an amount.

Journal Entries

Journal Entries

- Basic transactions in the accounting system.
- Consist of one or multiple lines.
- Each line is associated with a GL account and an amount.
- Each posting assigned a sequence number
 - Alternative reference number if GL posting numbering must be sequential without any gaps



GL-PR-070

In its most simple representation, a journal entry is a transaction composed of multiple posting lines, each of them associated with a GL account and an amount. Nevertheless, in most cases, journal entries also have other dimensions, represented by analytical codes.

Journal Entries – Continued

- View operational and external postings
- Save journal entries in draft format
 - When Draft Instances is activated in System/User Settings
- Excel integration



GL-PR-080

Journal Entry View (25.13.1.3) lets you view transactions posted to operational and external daybooks, in addition to financial daybooks.

Journal entries can be saved in draft format when Draft Instances is selected in System/User Settings, Change System Setting. When you save a record in draft format, none of the system validations are executed. You can then return later to complete the record by choosing the Journal Entry Browse Drafts activity and selecting the record you want to finish from the list.

Using the Excel integration feature, you can export data into Excel spreadsheets for analysis or reporting. You can also create new data within Excel and import it to the system database, where it is validated before being saved.

JE Posting: Progressive Disclosure

JE Posting: Progressive Disclosure

Journal Entry Create

Go To Actions Tools Attach Print Preview

Attachments

Year: 2010 11 Posting Date: 11/19/2010 Additional GL Numbering Date: [Dropdown]

Daybook Code: JE 000000001 Layer Type: OFFICIAL Save As Template: [Button]

Description: Posting Template Code: [Dropdown] Replacement: [Button]

Original Posting Reference: [Dropdown] Sequence Number: 000000000 Reversal: [Button]

Second Description: [Text]

GL Account	GL Description	Sub-Account C	Cost Ce	Description	Trans Curr	TC Debit	TC Credit
7700	Bank Charges	Gserv		Posting	USD	200.00	0.00
2399	TAX Payable			Posting	USD	0.00	100.00
7010	ICT Expense	Gserv		Posting	USD	300.00	0.00
7040	Fees	Gserv		Posting	USD	400.00	0.00
7000	Travel Expense	Gserv		Posting	USD	500.00	0.00
2480	Accruals	Gserv		Posting	USD	0.00	1,300.00



GL-PR-090

A posting line can be composed of multiple sublevels containing additional posting information.

The level 1 posting line contains fields for the GL account, sub-account, cost center, journal entry description, base currency, and debit and credit amounts in the base currency.

The posting grid can automatically display additional level 2 posting lines and fields, depending on how the GL accounts used in the transaction are defined, such as fields for:

- Transaction currency
- Quantity
- Intercompany
- Cost center analysis
- Project analysis
- SAF analysis
- Open items
- Tax account details

If the posting line contains additional level 2 posting lines, a line expander (+) appears to the left of the line. Click on the expander to drill down and view all posting details.

JE Posting: Progressive Disclosure

Journal Entry Create

Go To Actions Tools Attach Print Preview

Attachments

Year: 2010 11 Posting Date: 11/19/2010 Additional GL Numbering Date:
Daybook Code: JE 000000001 Layer Type: OFFICIAL Save As Template:
Description: Posting Template Code: Replacement:
Original Posting Reference: Sequence Number: 000000000 Reversal:
Second Description:

GL Account	GL Description	Sub-Account C	Cost Ce	Description	Trans Curr	TC Debit	TC Credit
7700	Bank Charges	Gserv		Posting	USD	200.00	0.00
	Sub-Account Code	Sub Account Description					
	Gserv	General Services					
2399	TAX Payable			Posting	USD	0.00	100.00
7010	ICT Expense	Gserv		Posting	USD	300.00	0.00
7040	Fees	Gserv		Posting	USD	400.00	0.00
7000	Travel Expense	Gserv		Posting	USD	500.00	0.00
2480	Accruals	Gserv		Posting	USD	0.00	1,300.00



GL-PR-091

JE Posting: Progressive Disclosure

Journal Entry Create

Go To Actions Tools Attach Print Preview

Attachments

Year: 2010 11 Posting Date: 11/19/2010 Additional GL Numbering Date:
Daybook Code: JE 000000001 Layer Type: OFFICIAL Save As Template: ☒
Description: Posting Template Code: AccrTempl1 Replacement: ☐
Original Posting Reference: Sequence Number: 000000000 Reversal: ☐
Second Description:

GL Account	GL Description	Sub-Account C	Cost Ce	Description	Trans Curr	TC Debit	TC Credit
7700	Bank Charges	Gserv		Posting	USD	200.00	0.00
2399	TAX Payable			Posting	USD	0.00	100.00
7010	ICT Expense	Gserv	R&D	Posting	USD	300.00	0.00
7040	Fees	Gserv	Mfg	Posting	USD	400.00	0.00

Sub-Account Code: Gserv Sub Account Description: General Services

Cost Center Code: Mfg Cost Centre Description: Manufacturing General Structure:

Project Code: Description: Structure:

GL Account	GL Description	Sub-Account C	Cost Ce	Description	Trans Curr	TC Debit	TC Credit
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JE Posting: Progressive Disclosure

Journal Entry Create

Go To Actions Tools Attach Print Preview

Attachments

Year: 2010 11 Posting Date: 11/19/2010 Additional GL Numbering Date:
Daybook Code: JE 000000001 Layer Type: OFFICIAL Save As Template:
Description: Posting Template Code: Replacement:
Original Posting Reference: Sequence Number: 000000000 Reversal:
Second Description:

GL Account	GL Description	Sub-Account C	Cost Ce	Description	Trans Curr	TC Debit	TC Credit
7040	Fees	Gserv	Mfg	Posting	USD	400.00	0.00
7000	Travel Expense	Gserv	Mar	Posting	USD	500.00	0.00

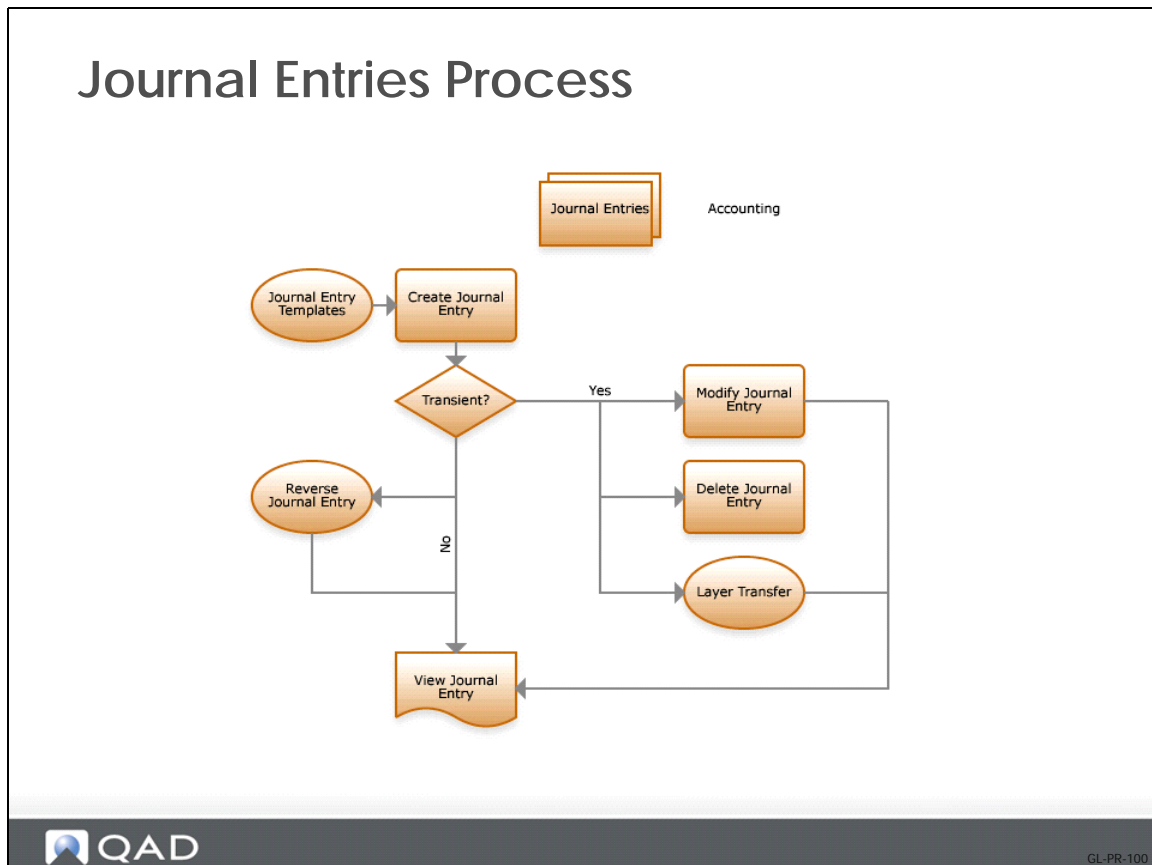
Sub-Account Code Sub Account Description
Gserv General Services

Cost Center Code Cost Centre Description Structure
Mar Marketing Travel

SAF Concept Code SAF Code
Employee Emp-X
Car registration Carreg-X
Purpose Purp-X

Project Code Description Structure

Journal Entries Process



The slide shows the journal entries business process.

Posting and Currency

Posting and Currency

- For accounts not denominated in a unique currency
 - Record journal entries in either the base currency (BC) or the transaction currency (TC).
- For accounts denominated in a specific currency:
 - Enter amounts in TC.
 - System converts the amounts to BC.
- The system uses the accounting exchange rate to convert between the TC and BC.



GL-PR-130

For accounts that are not denominated in a unique currency, you can record journal entries in either the base currency (BC) of the domain or in a non-base, transaction currency (TC). For accounts denominated in a specific currency, you enter amounts using the transaction currency and the system converts the amounts to the base currency.

The level 2 posting line for the transactions currency contains the following fields:

- TC Debit
- TC Credit
- BC Debit
- BC Credit
- Exchange Rate (TC/BC)
- Scale Factor (TC/BC)

The system uses the accounting exchange rate to convert between the transaction currency and base currency, and calculates the base currency amount as:

$$\text{BC Amount} = \text{TC Amount} * \text{Exchange rate (TC/BC)} * \text{Scale Factor (TC/BC)}$$

Operational Transactions

General Ledger Processing



- Posting
 - Journal Entry
 - **Operational Transactions**
- Templates
- Recurring Entries
- Reversing Journal Entries
- Mass Layer Transfer
- Open Item Adjustment
- Revaluation



GL-PR-150

In a production system, most GL transactions originate from operational transactions, such as manufacturing, purchasing, and inventory movements.

Operational Transaction Features

Operational Transactions

- Most GL transactions originate from manufacturing, purchasing, and inventory.
- System collects most operational transactions in an unposted transaction table.
- Operational transactions fall into four areas:
 - Inventory Control (IC)
 - Work Order (WO)
 - Fixed Assets (FA)
 - A limited number of sales order (SO) transactions



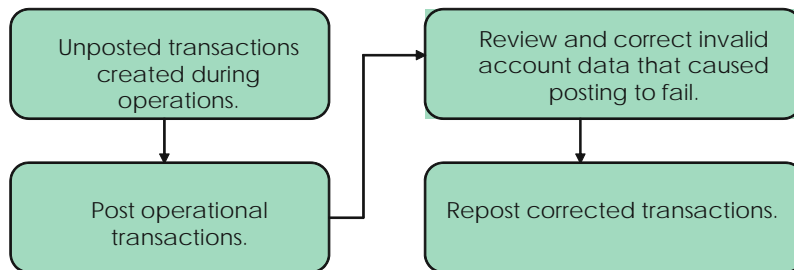
GL-PR-160

The system collects most operational transactions in an unposted transaction table. You can review the transactions to ensure that amounts, accounts, and dates are correct. Once the transactions are verified, you must post them to update GL account balances.

Note Invoicing sales orders using Invoice Post and Print (7.13.4) directly updates the GL.

Operational Transaction Flow

Operational Transaction Flow



Before operational transactions can be posted, set the Verify GL Accounts field in Domain/Account Control (36.9.24) to Yes.



GL-PR-170

The slide shows the process flow for operational transactions.

Before operational transactions can be posted, you must set the Verify GL Accounts field in Domain/Account Control (36.9.24) to Yes. Before setting the Verify GL Accounts field, you can run the Operational Account Status Validation report to determine if any issues exist with combinations of accounts, sub-accounts, cost centers, and projects.

Posting Operational Transactions

Posting Operational Transactions

- Operational transactions are not posted to the GL automatically.
- Use Operational Transaction Post (25.13.7) to post verified transactions.



GL-PR-180

To apply unposted transaction amounts to the GL, use Operational Transaction Post (25.13.7). You can select transactions for posting by entity, date, or the daybook assigned based on records in Default Daybook Maintenance (25.8.4).

The system verifies that all transactions contain valid combinations of active account, sub-account, cost center, and project code; the effective posting date must also be within a valid GL period. Transactions must also be balanced, with debits equaling credits. Otherwise, an error message displays and the transaction is not posted.

Correcting Operational Transaction

Correcting Operational Transactions

- Use Unposted GL Transaction Correction (25.13.16) to modify data for transactions that fail validation.
- You can update the following fields:
 - Account
 - Sub-Account
 - Cost Center
 - Project



GL-PR-190


Correcting Operational Transactions

Use Unposted GL Transaction Correction (25.13.16) to modify invalid account data for transactions that fail validation. To be accessible in this program, transactions must have failed transaction post. You can update the following fields:


- Account
- Sub-Account
- Cost Center
- Project

Templates

General Ledger Transactions



- Posting
- **Templates**
- Recurring Entries
- Reversing Journal Entries
- Mass Layer Transfer
- Open Item Adjustment
- Revaluation

GL-PR-200

If you plan to record the same journal entry on a regular basis, posting templates let you save the posting details for reuse.

Journal Entry Templates

Journal Entry Templates

- Used for:
 - Recurring entries
 - Repetitive postings
 - Allocations
- Best practice: separate transient layer
- Clear all
 - Yes: Delete all existing currency amounts
 - No: Proportional allocation
- Append
 - Yes: Retain original append template posting lines
 - No: Original posting lines are removed



GL-PR-201

Templates are usually used with recurring entries, in which the template is posted at recurring intervals according to a predefined schedule. However, you can use templates for any type of repetitive posting, and for allocations.

Journal entry templates retain the following transaction details:

- GL account, including the associated sub-account, cost center, project, or SAF details
- Description
- Currency
- Debit amount
- Credit amount

The account details are loaded into the posting grid when you select the template. You need change only the monetary amount and the reference each time you reuse the template, or maintain and use the same values. You can save the transaction or edit the details as required.

Best practice is to use a transient layer daybook to post journal entry templates. If you use a daybook linked to a transient layer, you can review the template details before posting the transactions to the primary layer. When you have verified the template, you can then change the daybook type to primary.

Note the following two fields:

Clear All. When creating a template, select the Clear All field to delete all existing amounts. Only the posting lines (such as accounts, sub-accounts, cost center) are stored, and you can enter new amounts in the posting grid. If the Clear All field is unselected, the system creates a proportional allocation based on the total transaction amount entered.

Append. When using a template in a transaction, select Append to retain the original posting lines and append the template posting lines. If you do not select Append, the original posting lines are removed, and only the template is retained.

US Exercise: Journal Entry Basics

Log in to entity 10USACO.

When not specified in the exercise, use the following data when needed:

- Sub-account: Gserv
- Cost Center: Adm
- SAF structure and SAF: choose any from the lookup list

- 1 Use GL Layer Create (25.8.14.1) to create a new accounting layer of type Transient.

Field	Value
Layer Code:	TR-accrual
Description:	TR-accrual
Layer Type:	Transient
Active:	Yes

- 2 Use Daybook Create (25.8.1.1) to create a new daybook linked to the transient layer TR-accrual and controlled by Financials.

Field	Value
Daybook Code:	JETRANS
Description:	JETRANS
Daybook Type:	Journal Entries
Layer Code:	TR-accrual
Active:	Yes
Daybook Group:	DGC-QMI

- 3 Use Journal Entry Create (25.13.1.1) to create a journal entry for accruals at the end of the current GL period. The posting lines are as follows:

Account	Cost Center	Amount	DR/CR
GL 7000 (Travel)	Adm	\$8,000 USD	DR
GL 7010 (ICT)	Adm	\$2,000 USD	DR
GL 7200 (Repair & Maint)	Adm	\$2,100 USD	DR
GL 2470 (Accrual account)		\$12,100 USD	CR

EMEA Exercise: Journal Entry Basics

Log in to entity 22UKCO.

When not specified in the exercise, use the following data when needed:

- Sub-account: Gserv
- Cost Center: Adm
- SAF structure and SAF: choose any from the lookup list

- 1 Use GL Layer Create (25.8.14.1) to create a new accounting layer of type Transient.

Field	Value
Layer Code:	TR-accrual
Description:	TR-accrual
Layer Type:	Transient
Active:	Yes

- 2 Use Daybook Create (25.8.1.1) to create a new daybook linked to the transient layer TR-accrual and controlled by Financials.

Field	Value
Daybook Code:	JETRANS
Description:	JETRANS
Daybook Type:	Journal Entries
Layer Code:	TR-accrual
Active:	Yes
Daybook Group:	DGC-QMI

- 3 Create a journal entry.

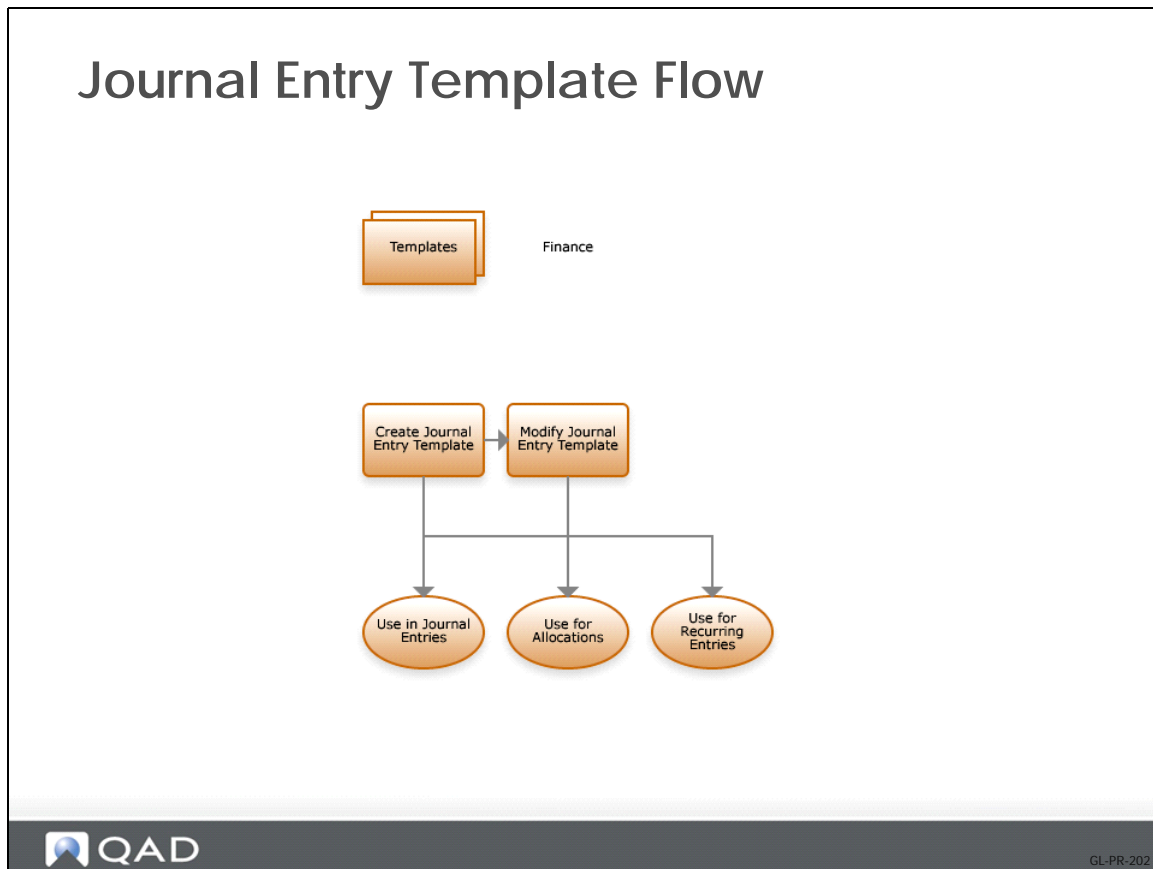
Use Journal Entry Create (25.13.1.1) to create accruals at the end of the current GL period.

Account	Cost Center	Amount	DR/CR
GL 7000 (Travel)	Adm	£8,000 GBP	DR
GL 7010 (ICT)	Adm	£2,000 GBP	DR
GL 7200 (Repair & Maint)	Adm	£2,100 GBP	DR
GL 2470 (Accrual account)		£12,100 GBP	CR

Create a journal entry.

Save your transaction and leave.

Journal Entry Template Flow



- 1 Create a journal entry in the transient layer:
- 2 Select Save as Template.
- 3 Enter the template code.
- 4 Enter the detail lines.
- 5 Save in transient layer.
- 6 You can modify templates, as required.

Creating a Template

Create Template

- Use Journal Entry Create
 - Check Save as Template
 - Enter template code
 - Enter detail lines
 - Save in transient layer (daybook)

The screenshot shows the 'Journal Entry Create' window. The 'Daybook Code' field is set to 'JE' and the 'Template Code' field is set to 'AccrTempl1'. The 'Save As Template' checkbox is checked. The 'Posting Date' is 11/19/2010. The 'Layer Type' is OFFICIAL. The 'Sequence Number' is 000000000. The 'Reversal' checkbox is unchecked. The 'Description' field is set to 'Posting'.

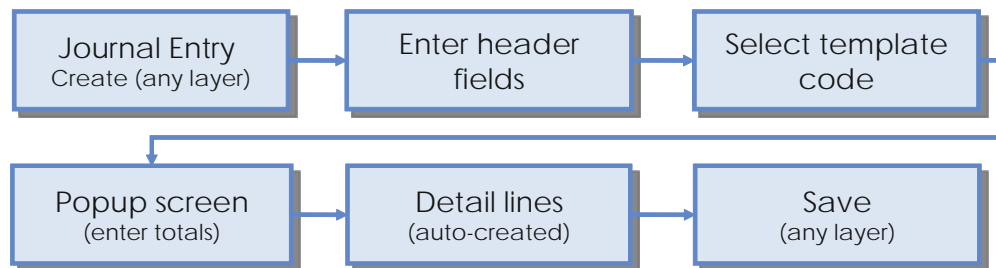
To create a new template, select the Save As Template Field.

Use the following procedure to create a journal entry using a posting template:

In Journal Entry Create (25.13.1.1), open the Template Code lookup and select a template. The Posting Template Apply screen is displayed. Complete the fields.


Use a separate daybook code for templates, and link it to the transient layer.

Use Journal Entry Template




Recurring Entries

General Ledger Processing



- Posting
- Templates
- **Recurring Entries**
- Reversing Journal Entries
- Mass Layer Transfer
- Open Item Adjustment
- Revaluation

GL-PR-330

Recurring entries are transactions that are repeated regularly, such as monthly rent payments.

Recurring Entries

- Transactions that are repeated regularly
 - Monthly rent payments.
- Use a posting template linked to a posting schedule.
- If the template is recorded in the transient layer, post to the official layer using Recurring Entry Post.
- Use the Recurring Entry activities (25.13.4) to create, view, modify, and delete recurring entries.



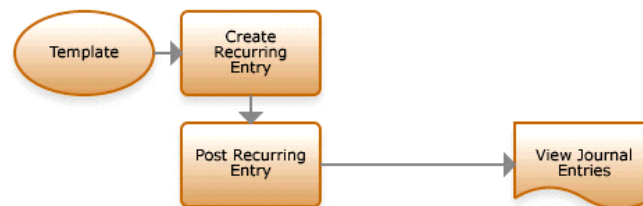
GL-PR-430

A recurring entry consists of a posting template linked to a posting calendar. If you have created a recurring entry recorded in the transient layer, you then post the entry to the primary layer using Recurring Entry Post. If the template was recorded in the primary layer, the postings step is not required.

Recurring Entries Process

Recurring Entries Process

- Create template
- Create recurring entry
 - Template, daybook, total amount, posting frequency, update type, from/to date
 - Reverse in next period Y/N
- Generate recurring entries
- Recurring Entry Post



Recurring Entry Functions

Recurring Entry Create/Post

Recurring Entry Create

Code: Office Rent

Active: ☒

Template Code: RENT

Daybook Code: Template

BC Amount: 10,000.00

Reverse in Next GL Period: ☐

Frequency: Monthly

Start Date: 07/31/2008

Update Type: Allowed

End Date:

Apply

Recurring Entry Post

Template Code: RENT

Daybook Code: Official

Frequency: Monthly

Update Type: Allowed

End Date:

Code: Office Rent

Apply

QAD GL-PR-450

Recurring Entry Create

The following is a summary of the main field in Recurring Entry Create:

Code. Enter a code (maximum 20 characters) to identify the recurring entry.

Template Code. Specify a posting template to use as the basis of the recurring entry.

Daybook Code. Specify the daybook code to which the recurring entry will be posted.

BC Amount. Enter the base currency amount of the recurring entry.

Frequency. Select a posting frequency from the following options:

Manually. You must run the posting manually at intervals. Use this option when the intervals required are irregular.

Monthly

GL Period

Quarterly

Weekly

Update Type. Choose an option to indicate if details in the template can be updated when the postings are run.

Allowed: You can optionally update posting details marked as Allowed. Posting details with this status are displayed in green.

Forbidden: You cannot update posting details marked as Forbidden. Posting details with this status are displayed in black.

Mandatory: You must update posting details marked as Mandatory. Posting details with this status are displayed in blue.

Start Date. Specify a start date for the recurring entry.

End Date. Specify an optional end date for the recurring entry. If you do not specify an end date, the recurring entry is run at the predefined intervals for an indefinite timespan.

Reverse in Next GL Period. Select to reverse the recurring entry in the next period. Specify the reversing date for the entry in the Reversing Date column of the entry grid.

Recurring Entry Post

Use Recurring Entry Post (25.13.4.5) to post recurring entries to the primary (official) layer, and update the accounts specified in the posting template.

US Exercise: Recurring Entries

In this exercise, you will create and use recurring entries.

Log in to entity 10USACO.

When not specified in the exercise, use the following values:

- Sub-account: Gserv
- Cost Center: Adm
- SAF structure and SAF: choose any from the lookup list.

- 1 Use Recurring Entry Create (25.13.4.1) to create a recurring entry with the following parameters:

Field	Value
Recurring Entry Code:	RE-ACCR-1
Template Code:	T001
Daybook Code:	JE
BC Amount:	10,000
Reverse in Next GL Period:	Yes
Frequency:	Monthly
Update Type:	Allowed
Start Date:	last day of current GL period
End Date:	last day of GL period after next
	For example, if current GL period is 9, set the end date as last date of GL period 11

- 2 Use Recurring Entry Post (25.13.4.5) to post the recurring entry for the current GL period.
Check the status of the current and next GL periods first and, if needed, change the status to Open again (unlock the GL period/undo lock).

Check the recurring entry postings in the current and next GL periods.

EMEA Exercise: Recurring Entries

In this exercise, you will:

- Create standard transactions.
- Create and use templates.
- Use reversing entries.
- Create and use recurring entries.

Log in to entity 22UKCO

When not specified in the exercise, use the following data (if needed):

- Sub-account: Gserv
- Cost Center: Adm
- SAF structure and SAF: choose any from the lookup list.

- 1 Use Recurring Entry Create (25.13.4.1) to create a recurring entry with the following parameters:

Field	Value
Recurring Entry Code:	RE-ACCR-1
Template Code:	T001
Daybook Code:	JE
BC Amount:	10,000 GBP
Reverse in Next GL Period:	Yes
Frequency:	Monthly
Update Type:	Allowed
Start Date:	last day of current GL period
End Date:	last day of GL period after next
	For example, if current GL period is 9, set the end date as last date of GL period 11

- 2 Use Recurring Entry Post (25.13.4.5) to post the recurring entry for the current GL period. Check the status of the current and next GL periods first and, if needed, change the status to Open again (unlock the GL period/undo lock).
Use Journal Entry View (25.13.1.3) to check the recurring entry postings in both the current and next GL periods.

Reversing Journal Entries

General Ledger Processing



- Posting
- Templates
- Recurring Entries
- **Reversing Journal Entries**
- Mass Layer Transfer
- Open Item Adjustment
- Revaluation



GL-PR-460

Reversing transactions reverse activity on existing journal entries.

Reversing Journal Entries

Reversing Entries

- Purpose
 - Correcting errors
 - Posting accruals
- Best practice for posting accruals
 - Create separate daybook (use as filter)
 - Reverse all at the same time
 - Use automatic reversal
- Reversing entry, 2 entries
 - Original entry to adjust
 - Reversing or opposite entry
 - reverses all debit and credit positions



GL-PR-470

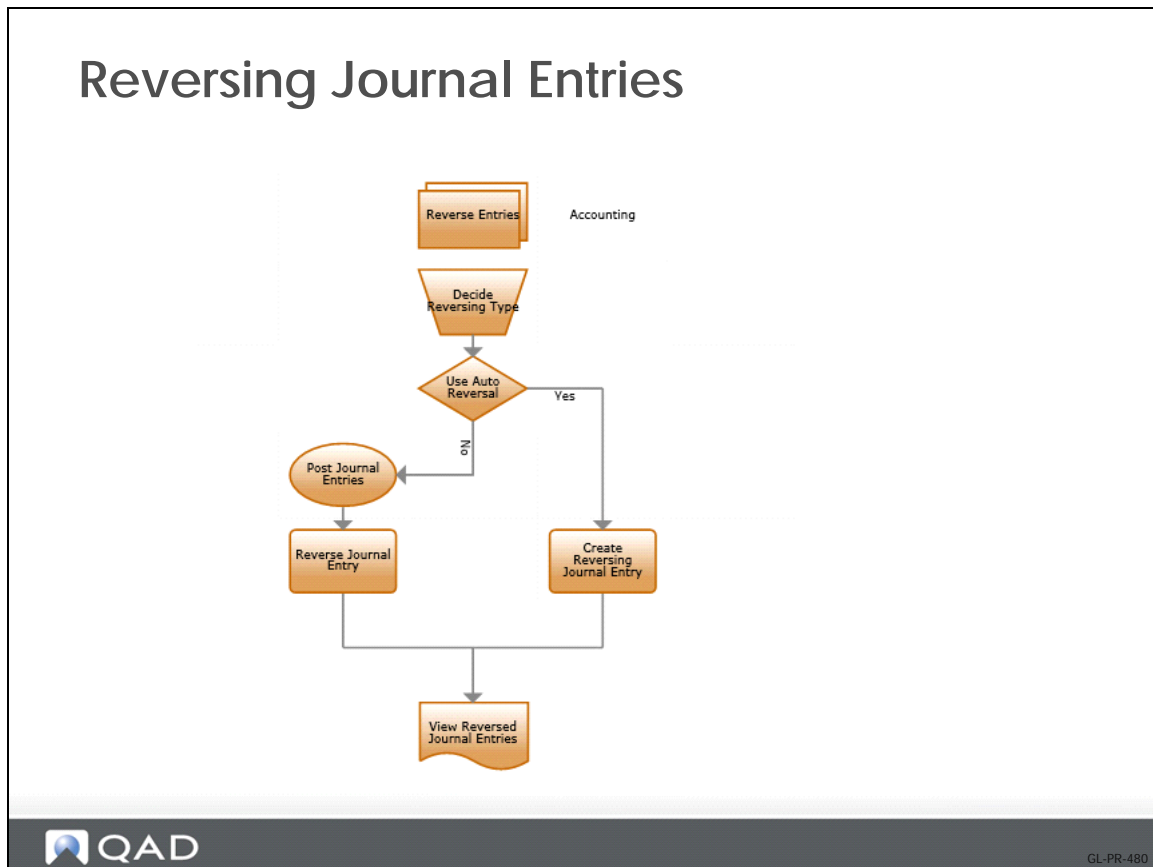
Reversing entries are used for two purposes:

- Correcting errors. Correct a posted transaction by posting an opposing entry to net out the original amounts.
- Posting accruals, such as payroll earned, but not yet paid. To do this, you post an entry (typically, on the last day of a GL period) and immediately reverse the entry on the first day of the next GL period. This procedure lets you record subsequent payments without having to recognize the portions that were accrued at an earlier date.

A reversing entry consists of two parts: the original adjusting entry, and the reversing, or opposite entry. The second entry reverses the position of all debits and credits.

- Best practice for posting and reversing accruals is to use a separate daybook, and to reverse all postings at the same time. You can use the automatic journal entry reversal function to facilitate this process (more about this later).

Reversing Journal Entries



This slide displays the reversing entries process map, with both manual and automatic reversal options.

Correction JE Reversal

Correction JE Reversal

- Legal requirements (Country, Region)
 - Reversing correction JE posted at the same GL side (DR CR) as the original posting
 - Total balance of original plus correction must equal zero in the GL
- Select **Correction** check box in JE Reverse

correction
vs.
reversal
postings

	DR	CR
GL1	100	
GL2		70
GL3		30

Original posting

	DR	CR
	70	100
	30	

Reversal posting

	DR	CR
	-100	
		-70
		-30

Correction
posting



GL-PR-481

In certain countries, such as in Eastern Europe, it is a legal requirement to post correction journal entries at the same side (debit/credit) as the original entry. The total balance should always equal zero in the GL.

To post a reversing correction, select the Correction field in the Journal Entry Reverse subscreen.

Journal Entry Reverse Menu

Journal Entry Reverse

The screenshot displays the 'Journal Entry Reverse' menu in the QAD software. The main window, titled 'Journal Entry Browse for Reversal' and 'Journal Entry Reverse', contains the following fields:

- Year: 2010
- Daybook Code: JE
- Posting Date: 11/19/2010
- Sequence Number: 000000001
- Layer Type: OFFICIAL
- Template Code: AccrTemp1
- Additional GL Numbering Date: 11/19/2010
- Save As Template: ☒
- Replacement: ☐
- Reversal: ☐

A smaller 'Journal Entry Reverse' dialog box is open in the foreground, showing the following fields:

- Year: 2010
- Daybook Code: JE
- Posting Date: 12/01/2010
- Sequence Number: 000000000
- Layer Type: OFFICIAL
- Template Code: AccrTemp1
- Additional GL Numbering Date: 11/19/2010
- Save As Template: ☒
- Correction: ☐

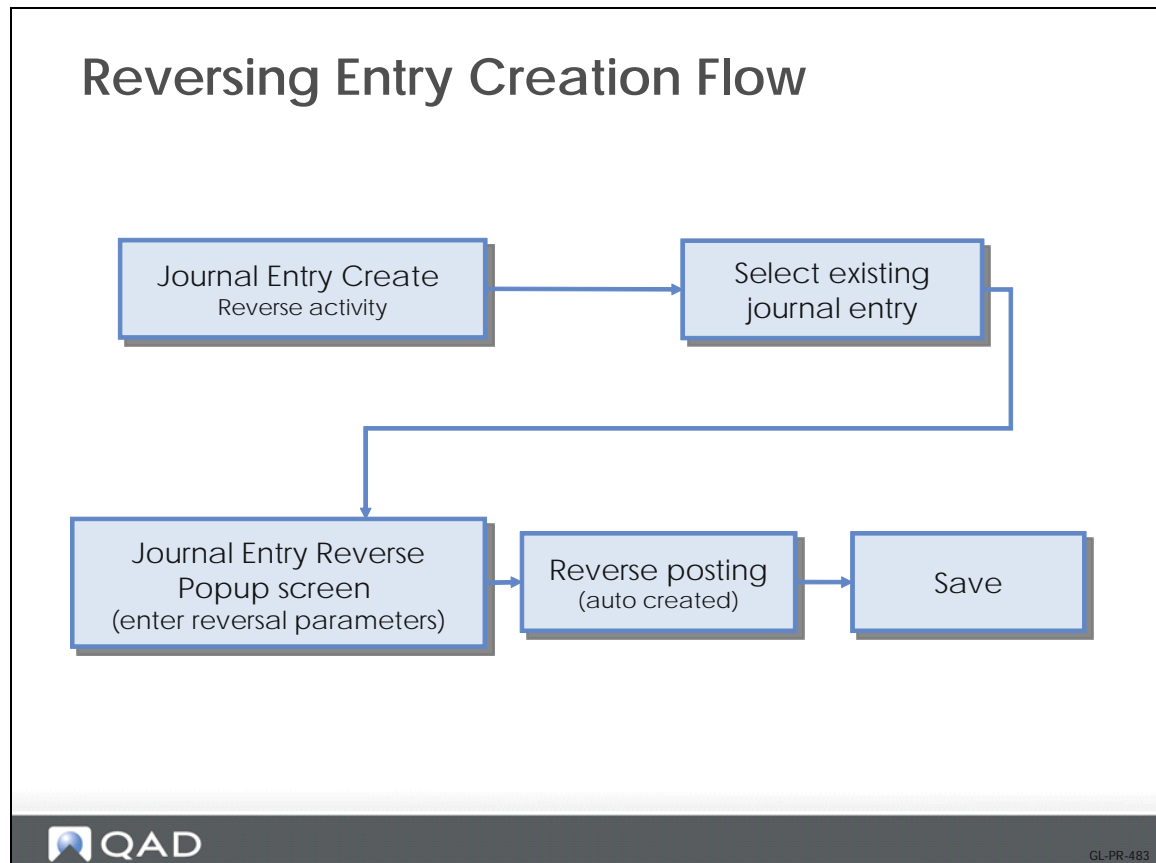
The background window also features a 'GL Account' list on the left with the following values: 2399, 7700, 7010, 7040, 7000, and 2480. The QAD logo is visible in the bottom left corner, and the text 'GL-PR-482' is in the bottom right corner.

The initial reversing screen displays a summary of the entry details. Reversals are usually processed on the first day of the GL period that follows the original posting period. The year, period, and posting date, therefore, default to these values.

You can change these defaults by changing the posting date or period.

Select the Correction field to enable the correction JE reversal.

Reversing Entry Creation Flow



Automatic Reversal of Journal Entries

Automatic Reversal of Journal Entries

- Process automation
- Automatic reversal in the next GL period
- Reversing Journal Create (25.13.1.14)
 - Similar to Journal Entry Create



GL-PR-484

Process automation means less man made errors, and overhead cost reductions. With Reversing Journal Create (25.14.1.14), you can have the system process reversals in the next periods for you.

To do this, you create journal entries in Reversing Journal Create instead of Journal Entry Create, and indicate when the system must reverse postings.

Reversing Journal Create

Reversing Journal Create (25.13.1.14) is based on Journal Entry Create (25.13.1.1). Only two additional fields are specific to Reversing Journal Create:

Reversal Posting Date. It defaults to the first day of the next period, and must always in a later period than the one of the original entry.

Correction. If checked, the original transaction is netted and the balance is zero (same behavior as in the Journal Entry Reverse popup screen)

US Exercise: Reversing Entries

Log in to entity 10USACO.

When not specified in the exercise, use the following data where needed:

- Sub-account: Gserv
- Cost Center: Adm
- SAF structure and SAF: choose any from the lookup list.

- 1 Use Journal Entry Create to create a standard transaction. Specify the template code Revs-M001 and select the Save as Template field.

Accruals per the current date

Account	Cost Center	Amount	DR/CR
GL 7000 (Travel)	Adm	\$8,000 USD	DR
GL 7010 (ICT)	Adm	\$2,000 USD	DR
GL 7200 (Repair & Maint)	Adm	\$2,100 USD	DR
GL 2470 (Accrual account)		\$12,100 USD	CR

- 2 Use the daybook TEMPLATE linked to the transient layer code Trans-template.
- 3 Save the template.
- 4 Use the template Revs-M001 (created above) and create the accrual posting for the last day of the next GL period. TC amount = 8,000 USD (total amount of the posting in TC). Use daybook JE.
- 5 Use Journal Entry Reverse (25.13.1.5) to reverse the standard transaction created in (4) in the same period because the posting was incorrect.

In the browse, specify daybook JE to limit the list of transactions and make your search easier. Select your transaction, and click OK. Review the transaction and save.

- 6 In Journal Entry Create (25.13.1.1), click on the Replace field and create the following new posting (use template Revs-M001).

Description: Accruals (to post on the last date of the next GL period)

Account	Amount	DR/CR
GL 7000 (Travel)	\$3,000 USD	DR
GL 7010 (ICT)	\$4,500 USD	DR
GL 7200 (Repair & Maint)	\$2,500 USD	DR
GL 2470 (Accrual account)	\$10,000 USD	CR

EMEA Exercise: Reversing Entries

In this exercise, you will create reversing entries.

Log in to entity 22UKCO.

When not specified in the exercise, use the following where needed:

- Sub-account: Gserv
- Cost Center: Adm
- SAF structure and SAF: choose any from the lookup list.

- 1 Use Journal Entry Create to create a standard transaction. Specify the template code Revs-M001 and select the Save as Template field.

Accruals per the current date

Account	Cost Center	Amount	DR/CR
GL 7000 (Travel)	Adm	£8,000 GBP	DR
GL 7010 (ICT)	Adm	£2,000 GBP	DR
GL 7200 (Repair & Maint)	Adm	£2,100 GBP	DR
GL 2470 (Accrual account)		£12,100 GBP	CR

- 2 Use the daybook TEMPLATE linked to the transient layer code Trans-template.
- 3 Save the template.
- 4 Use Journal Entry Create (25.13.1.1) to create a posting on the last day of the next GL period and use the template Revs-M001. Use daybook JE and the total amount is 9,000 GBP
- 5 Use Journal Entry Reverse (25.13.1.5) to reverse the standard transaction created in (4) in the same period because the posting was not correct.
- 6 In Journal Entry Create (25.13.1.1), click on the Replace field and create the following new posting (use template Revs-M001):

Account	Amount	DR/CR
GL 7000 (Travel)	3,000 GBP	DR
GL 7010 (ICT)	4,500 GBP	DR
GL 7200 (Repair & Maint)	2,500 GBP	DR
GL 2470 (Accrual account)	10,000 GBP	CR

Mass Layer Transfer

General Ledger Processing



- Posting
- Templates
- Recurring Entries
- Reversing Journal Entries
- **Mass Layer Transfer**
- Open Item Adjustment
- Revaluation



GL-PR-500

Mass layer transfer lets you transfer batches of postings from the transient layer to the secondary or primary layers.

Mass Layer Transfer

Mass Layer Transfer

- Transfer postings from the transient layer to the management or official layers.
- The target daybook must have the same GL type as the original transient daybook.
- Postings transferred in blocks
 - Appear sequentially in the target daybook.
- The following types of postings cannot be transferred:
 - Journal entries for posting templates or recurring entries.
 - Journal entries that have a different GL type than the target daybook.



GL-PR-510

Unfinalized transactions are generally posted to a daybook in a transient layer for review or for simulation purposes. If these transactions are subsequently approved, you can transfer them in batch to the other layers using mass layer transfer.

Mass Layer Transfer Execute

The screenshot shows the 'Mass Layer Transfer Execute' window. The 'Transient Layer Code' is set to 'Trans-Approve' and the 'Target Layer Code' is set to 'OFFICIAL'. The 'Daybook Code' is 'CONDETR' and the 'Target Daybook Code' is 'CONDEOF'. The 'Year/GL Period From' is '2008' and '04', and the 'Year/GL Period To' is '2008' and '06'. The 'Posting Date From' is '04/01/2008' and the 'Posting Date To' is '06/30/2008'. The 'Description' is 'Approved GL Cons'. The 'Add' button is highlighted. Below the form is a flowchart:

```

graph LR
    A([Journal Entries]) --> B{Multiple Transactions?}
    B -- Yes --> C[Execute Mass Layer Transfer]
    B -- No --> D[Change Layer]
    C --> E[/View Journal Entries/]
    D --> E
  
```

The QAD logo is in the bottom left corner, and 'GL-PR-520' is in the bottom right corner.

Mass Layer Transfer Execute (25.13.11) lets you transfer batches of postings from the transient layer to the secondary or primary layers.


When you click the Add button, the system populates the grid in the Mass Layer Transfer screen with postings that match the selection criteria. From this list, you can choose which postings to include in the transfer by selecting or clearing the Select field for that posting.

All selected postings are transferred to the same target daybook, which can be linked to the primary (official) layer, a secondary (management) layer, or another transient layer.


When transferring, the target daybook must have the same GL type as the original transient daybook. If you do not specify a source daybook, all postings in the source daybook that have the same GL type as the target daybook and meet the other selection criteria are selected for transfer.

Open Item Adjustment

General Ledger Transactions



- Posting
- Templates
- Recurring Entries
- Reversing Journal Entries
- Mass Layer Transfer
- **Open Item Adjustment**
- Revaluation

GL-PR-521

Open item adjustment transactions let you reconcile unpaid or incorrectly paid invoices and credit notes.

Open Items

Open Items

- Open item
 - A customer or supplier unpaid invoice or credit note or a prepayment that is not yet allocated (netted).
 - An open transaction on a GL account type open item.
- Close open item
 - When balance = 0
 - Close by payment, receipt, or netting.
- Open item types
 - Invoice
 - Credit note
 - Prepayment
 - Adjustment



GL-PR-522

Open items are unpaid and partly settled invoices, both from customers and suppliers, where the transaction is not completed at the end of the GL period.

Open Item Adjustment

Open Item Adjustment

- Use Open Item Adjustment Create to:
 - Reconcile unpaid or incorrectly paid invoices and credit notes.
 - Record prepayments and adjustments
 - Change the value of an existing open item
 - Create a new open item.
- Open item adjustments are recorded in the official layer.
- Additional options:
 - New Item option
 - Allocate GL option



GL-PR-523

Use Open Item Adjustment Create (25.13.5) to reconcile unpaid or incorrectly paid invoices and credit notes. In addition, you can record prepayments and adjustments, change the value of an existing open item, or create a new open item. All open item adjustments are recorded in the primary layer.

Open item adjustment also lets you adjust supplier or customer balances without linking an outstanding payment; for example, to resolve unallocated cash payments. You can make customer and supplier adjustments in the same adjustment transaction.

Open Item Adjustment Create

Netting and Open Item Adjustment

- Customer, supplier open items
 - Use Open Item Adjustment Create

Open Item Adjustment Create

Posting Info

Posting Year/GL Period: 2011 3 Posting Date: 03/18/2011

Daybook Code: SUPADJ 1 Layer: Primary

BC Balance: 0.00 DR

New Item Allocate GL

Search for Invoices/Payments

Customer/Supplier: Business Relation: Invoice Reference: Year/Daybook/Voucher: Group Name: Amount: 0.00 Operator/Margin: 0.00

Include Customers: Include Suppliers: Include Closed Items: Start From Year: All Entities: Only Over Allocated Items: Search

Drag a column header here to group by that column.

Business Relation	Invoice Number	Invoice Type	Invoice Date	Invoice Cu	TC Invoice Balance	DR/C	Full Adjustment	TC New Balance	New
10-C1005	2010/SCN/0000000	Credit Note	10/09/2010	USD	491.50	DR		491.50	DR
10-C1005	2010/SINV/0000000	Invoice	10/14/2010	USD	200.00	CR		200.00	CR
10-S1004	2010/SINV/0000000	Invoice	12/05/2010	USD	2,027.10	CR		2,027.10	CR
10-S1006	2010/SINV/0000000	Invoice	12/07/2010	USD	5,083.00	CR		5,083.00	CR
11-CS1001	2010/SINV/0000000	Invoice	12/07/2010	CAD	0.79	CR		0.79	CR
22-CS1000	2011/SINV/0000000	Invoice	01/06/2011	USD	245.00	CR		245.00	CR

QAD GL-PR-524

The Open Item Adjustment screen is composed of three parts:

- The header, which contains posting parameters: GL calendar year, GL period, daybook, voucher, and layer
- The search criteria for locating open items
- The Open Items grid listing open item transactions, for which you can specify new balances.

Initially, the Open Item grid is empty and you must locate open items using the search criteria. After entering selection criteria, click Apply and the grid displays all open items that match the criteria.

The sum of all debit and credit adjustments results in a balance. When that balance is zero, the adjustments can be saved. When the balance is less than or greater than zero, you must clear the balance using a new open item or by allocating it to a GL account.

The New Item option lets you reopen invoices that were incorrectly matched and allocate the differences to other invoices. In addition, if you cannot find an item to adjust, you can create a new open item for the customer or supplier.

The Allocate GL option lets you create a journal entry in which completed adjustments are represented as read-only posting lines in control accounts.

Customer/Supplier Netting

The screenshot displays the QAD Customer Supplier Netting interface. It features two overlapping windows. The 'Business Relation Modify' window (top left) shows fields for Business Relation (22-CS1000), Name (Auto-Plus International), Search Name (Auto-Plus International), Second Name, Third Name, and Group Name. The 'Entity Create' window (top right) shows fields for Entity Code (EMEAENT1), Entity Description (EMEAENT1), Business Relation (EMEAENT1), and Localization Code. Below these are tabs for General, Shared Sets, Additional GL Numbering, and Taxes. The General tab is active, showing various settings like Check Budgets on Overlap, Reverse P&L Revaluations, Consolidation Entity, Decimals for Qty, Invoice Upper Limit, Mirror Setup, AP Exchange Tolerance %, AR Exchange Tolerance %, Open Item Netting Restriction (set to None), Open Item Cross Entity Allowed (checked), and Customer/Supplier Compensation Allowed (checked). Red boxes highlight the 'Business Relation Modify' window, the 'Entity Create' window, the 'Group Name' field, the 'Customer/Supplier Compensation Allowed' checkbox, and the 'Open Item Netting Restriction' and 'Open Item Cross Entity Allowed' fields.

Netting settings in the entity record let you control the level of flexibility provided in Open Item Adjustment Create (25.13.5) for the netting of transactions. In addition, customer and supplier compensation settings at entity and business relation level control whether you can net credits and debits for customers and suppliers that belong to the same business relation.

The entity record includes three fields that let you control open item adjustment.

Open Item Netting Restriction. This field provides three options for the netting of open items across business relations.

- **None.** This option does not impose restrictions on the netting of open items across business relations. It is the least restrictive setting, and is the default.
- **Single Business Relation.** This option restricts the netting of open items to items that belong to the same business relation. It is the most restrictive setting.
- **Related Business Relations.** This option restricts the netting of open items to items from business relations that belong to the same corporate group.

Important A business relation with a blank corporate group is not considered to be related to a business relation that has a corporate group assigned. Similarly, two business relations, each with blank corporate groups, are not considered to be related.

Open Item Cross Entity Allowed. Select this field to enable open items to be adjusted across entities. This field is enabled by default.

When this option is enabled, you can use Open Item Adjustment Create (25.13.5) to display and net items from other entities.

When an open item adjustment includes cross-entity transactions, the entities involved must have compatible netting control settings. If the entities have different control settings, the most restrictive setting is applied.

For example, if one entity has a netting restriction of Single Business Relation, the whole open item adjustment must be for a single business relation. If there is a conflict with the most restrictive control setting, an error is displayed and the open item adjustment cannot be saved.

If this option is disabled, the All Entities field in Open Item Adjustment Create (25.13.5) is disabled for editing, and you cannot display and net items from other entities.

Customer/Supplier Compensation Allowed. Specify how the system treats open items during payment processing when a customer and supplier belong to the same business relation. This option is enabled by default.

When customer and supplier compensation is enabled at entity level and an open item adjustment involves transactions from two different entities, customer and supplier compensation must be enabled for both entities in order for the adjustment to be saved. In addition, the corresponding Customer/Supplier Compensation Allowed field must be enabled for the business relations involved in the adjustment. This restriction applies regardless of the entity's netting restriction or whether the customer and supplier compensation is cross-entity.

When customer and supplier compensation is disabled at entity level, you cannot net items from customers and suppliers with the same business relation. This setting overrides the Customer/Supplier Compensation Allowed setting at business relation level for customers and suppliers.

The values of two business relation fields affect open item adjustments: Group Name and Customer/Supplier Compensation Allowed.

Group Name. Specify the corporate group to which the business relation belongs. When the entity Open Item Netting Restriction field is set to Related Business Relations, you can only use Open Item Adjustment to net transactions from business relations that belong to the same corporate group.

Note A business relation with a blank corporate group is not considered to be related to a business relation that has a corporate group assigned. Similarly, two business relations, each with blank corporate groups, are not considered to be related.

Customer/Supplier Compensation Allowed. Select the field to allow open items for customers and suppliers that belong to that business relation to be netted against each other.

When customer and supplier compensation is enabled at entity level, the Customer/Supplier Compensation Allowed field must be enabled for the business relations involved for an adjustment to be saved.

When customer and supplier compensation is disabled for the entity, this overrides the customer and supplier compensation setting for the business relation if compensation is enabled here.

Open Item Adjustment Modify

Open Item Adjustment Modify

- Lets you modify the Description field

The screenshot shows the 'Open Item Adjustment Modify' window. At the top, there is a toolbar with icons for 'Go To', 'Actions', 'Tools', 'Print', 'Preview', and 'Attach'. Below the toolbar, the form contains several input fields: 'Year' (2011), '03', 'Date' (03/21/2011), 'Daybook' (CUSTADJ), '000000002', 'Daybook Type' (Customer Adjustments), and 'Description' (Netting two invoices for same BR). Below these fields is a table with columns: Type, Invoice Number, Supplier/Customer, TC, TC Orig Balance, TC Movement, TC Payment Disc, TC Tax Disc, and TC Net. The table contains two rows: 'Supplier Invoice M' and 'Customer Invoice'.

Type	Invoice Number	Supplier/Customer	TC	TC Orig Balance	TC Movement	TC Payment Disc	TC Tax Disc	TC Net
Supplier Invoice M	2011/SINV/000000	2251000	USD	-245.00	105.00	0.00	0.00	
Customer Invoice	2011/CIHQ/000000	22C1000	USD	105.00	-105.00	0.00	0.00	

US Exercise: Netting and Open Item Adjustments

In this exercise, you will:

- Net invoices and credit notes for the same customer/supplier.
- Net invoices and credit notes against a GL account.
- Net invoices and credit notes of different customers or suppliers.

Use the following parameters in Open Item Adjustment Create (25.13.5) if needed:

- Entity: 10USACO
 - Daybook: CUSTADJ
 - Sub-account: use the default or else use Gserv
 - Cost center: use the default or else use Adm
 - For all other fields, use the lookup and choose from the list.
- 1 Use Open Item Adjustment Create (25.13.5) to create adjustments for customer 10C1005, Rockland Industrial Company:
 - An invoice of value \$30.20 USD (full adjustment, new balance = \$0).
 - An invoice of value \$812.10 USD (partial adjustment, new balance = \$617.30 USD).
 - A credit note of value \$225.00 USD (full adjustment, new balance = 0).
 - 2 Enter customer/supplier 10C1005 and click Search to display a list of open items. Then, select from the list.
 - 3 Verify the results using Open Item Adjustment View (25.13.6).

EMEA Exercise: Netting and Open Item Adjustments

In this exercise, you will:

- Net invoices and credit notes for the same customer/supplier.
- Net invoices and credit notes against a GL account.
- Net invoices and credit notes for different customers or suppliers.

Use the following parameters (if needed):

- Entity: 22UKCO
- Daybook: CUSTADJ
- Sub-account: use the default or else use Gserv
- Cost center: use the default or else use Adm
- Date: system date
- For all other fields: use the lookup and choose from the list.

Use Open Item Adjustment Create (25.13.5) to create adjustments for the following:

- 1 Customer 22C1001, Teasdale Hospital Equipment
An invoice of value 30.20 GBP (full adjustment, new balance = 0).
An invoice of value 812.10 GBP (partial adjustment, new balance = 617.30 GBP).
A credit note of value 225 GBP (full adjustment, new balance = 0).
- 2 Verify the results using Open Item Adjustment View (25.13.6).

Revaluation

General Ledger Transactions



- Posting
- Templates
- Recurring Entries
- Reversing Journal Entries
- Mass Layer Transfer
- Open Item Adjustment
- **Revaluation**



GL-PR-530

Each GL transaction is denominated in a transaction currency. Currency fluctuation means that transaction amounts can inflate or devalue, with respect to the base currency amounts, within the GL period in which they are posted. Revaluation enables you to identify the results from variances in exchange rates.

Revaluation

Revaluation

- Revise amounts in non-base currency accounts based on the exchange rate at the end of a GL period.
- Organizations typically revalue at the end of every GL period.
- More commonly used by international organizations.
 - US entity dealing in USD will never need to revalue.



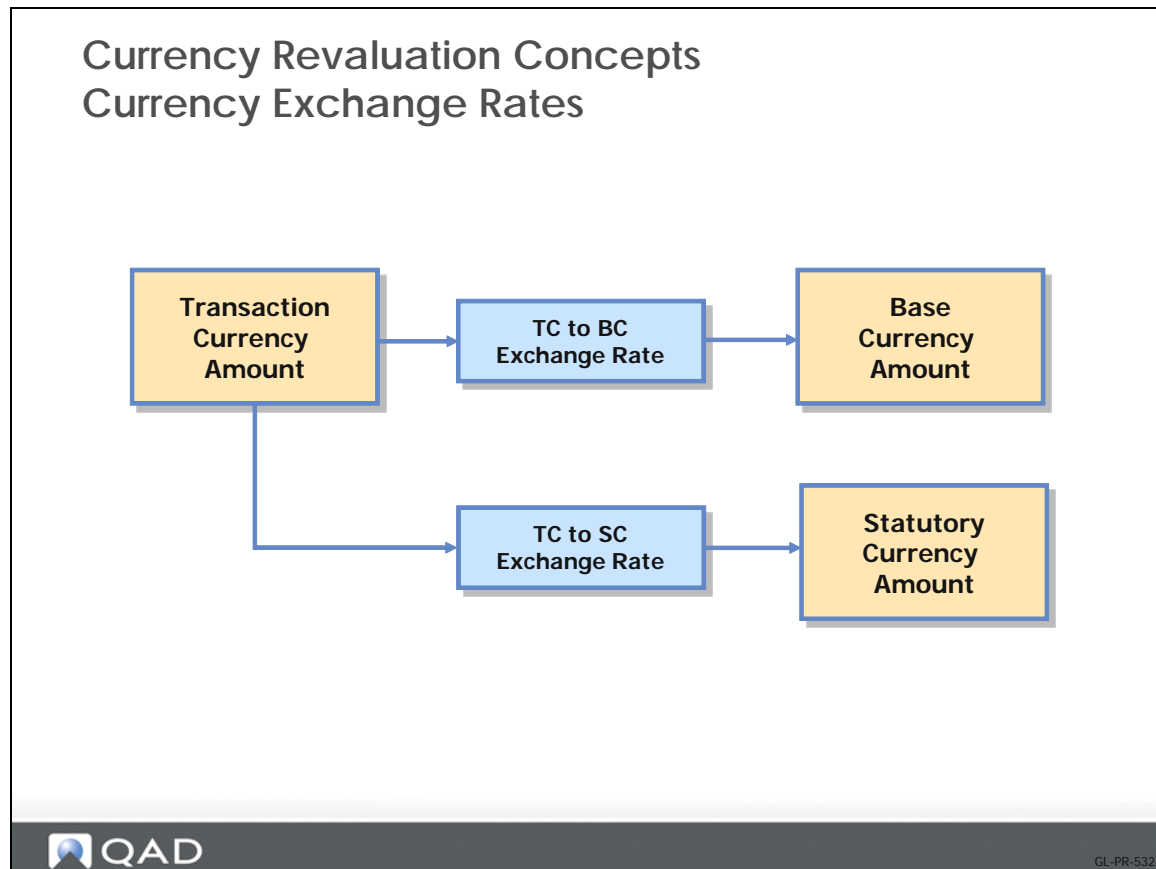
GL-PR-531

A transaction in a foreign currency is recorded initially in the base currency by applying the exchange rate between the base currency and the transaction currency at the date of the transaction. However, GAAP rules stipulate that balances on accounts denominated in foreign currency be reported using the closing rate for the GL period in which the transaction was recorded.

You typically revalue at the end of every GL period, and the process is more commonly used by international organizations, since a US entity dealing in USD only will never need to revalue.

The revaluation process involves revising amounts in non-base currency accounts based on the exchange rate in effect at the end of a GL period. GL accounts denominated in non-base currency or accounts that accept postings in all currencies are subject to revaluation.

Revaluation Types



There are two types of revaluation:

- Revaluation of transactions denominated in a non-base currency, relative to the base currency
- Revaluation of the transaction currency revaluation result, relative to the statutory currency of the parent organization

Revaluation and Accounts

Currency Revaluation Setup

- Account types subject to revaluation
 - Customer and supplier control account
 - Customer and supplier payment account
 - Standard GL account
 - Bank account
 - Cash account
 - Cross-company account
 - Tax account
- GL Account Setup configuration
 - Currencies
 - Revaluation parameters
- Posting structure



GL-PR-533

Revaluation affects the following account types:

- Customer and supplier control accounts

Open items denominated in a foreign currency are subject to revaluation until paid.
- Customer and supplier payment accounts

The effect of revaluation on customer and supplier payment accounts depends on the payment instrument. If the payment instrument is direct debit (customer accounts only), the foreign currency transactions are performed using the accounting exchange rate for the direct debit date, and revaluation is not required. However, for drafts and post-dated checks denominated in a foreign currency, the payee must wait until the due date to collect the value. The value of the check or draft can vary from the date of issue until the due date, and is subject to revaluation.
- Standard GL accounts

Some standard GL accounts accept transactions in any currency, and are, therefore, subject to revaluation.
- Bank and cash accounts

Bank and cash accounts can be denominated in a non-base currency, which must be expressed in the base currency of the entity.

Tax accounts

GL Account Create Menu - Currency Tab

GL Account Create Currency Tab Revaluation GL

- Revaluation results not on control account
 - Control accounts
 - Customer, Supplier
 - Customer, Supplier Payments
- Standard GL
- Automatic posting
- Analysis: sub-account only (with default)



GL-PR-534

Revaluation results must not be posted on the control account.

When the GL account type is a control account then a revaluation account must be identified. The result of the revaluation will be posted on the revaluation account.

Analytical method is limited to sub-account for this type of account.

The same set of accounts is used for transaction currency and statutory currency revaluation.

Currency Tab - Revaluation Methods

GL Account Create – Currency Tab Revaluation Method

Posting Currency Analysis Report Link Banking Cash Defaults

Base Currency Only ☐

TC Revaluation in BC None

TC Revaluation in SC None

Revaluation GL


Consolidation Method Current Exchange Rate

Currency Code

Rate Type for Revaluation in BC

Rate Type for Revaluation in SC

Consolidation Rate Type


EF-PR-535

The revaluation account fields become enabled depending on the type of GL account selected.

TC Revaluation Method and Rate

Revaluation Method and Rate

TC Revaluation in BC/SC	Rate Type for Revaluation in BC/SC	Description
None	<i>Disabled</i>	The account is not revaluated
Accounting Rate	<i>Disabled</i>	The accounting rates valid at month-end are used.
Revaluation	<i>Disabled</i>	The exchange rates of type REVALUATION are used.
Statutory	<i>Disabled</i>	The system uses the statutory exchange rate type valid at month-end, but it can revert to using the accounting exchange rate if Fallback to Accounting is set.
User-Defined	Any exchange rate with a user-defined exchange rate type.	The exchanges rates of the user-defined type in TC Revaluation Rate are used.



EF-PR-536

You define the revaluation methods and rates for a source GL account in the Currency tab of Account Create. The tab lets you define both methods and rates for the revaluation of both the base currency and the statutory currency.

You can define the statutory currency revaluation method and rate independently of the base currency revaluation method and rate.

GL Account Setup by Type

Control GL account multi currency

Base Currency Only	<input type="checkbox"/>	Currency Code	<input type="text"/>
TC Revaluation in BC	Revaluation Rate	Rate Type for Revaluation in BC	<input type="text"/>
TC Revaluation in SC	Revaluation Rate	Rate Type for Revaluation in SC	<input type="text"/>
Revaluation GL	400001		

Standard GL account with one currency (USD)

Base Currency Only	<input type="checkbox"/>	Currency Code	USD
TC Revaluation in BC	Revaluation Rate	Rate Type for Revaluation in BC	<input type="text"/>
TC Revaluation in SC	User Defined Rate	Rate Type for Revaluation in SC	SC Reval
Revaluation GL			

Standard GL account with base currency (EUR)

Base Currency Only	<input type="checkbox"/>	Currency Code	EUR
TC Revaluation in BC	None	Rate Type for Revaluation in BC	<input type="text"/>
TC Revaluation in SC	Statutory Rate	Rate Type for Revaluation in SC	<input type="text"/>
Revaluation GL			

Currency Revaluation Setup Revaluation Results GL Accounts

- System accounts for exchange rate differences
 - Realized Exchange Gain
 - Realized Exchange Loss
 - Unrealized Exchange Gain
 - Unrealized Exchange Loss
- Balance Sheet or P/L
- Automatic posting
- Analytical: only sub-account

Revaluation Postings

Currency Revaluation Setup Revaluation Results Analysis Structure

- Revaluation accounts
 - Source, system, revaluation

- Analytical structure
 - Source: any analysis type, but defaults are required.
 - System: sub-account analysis only.
 - Revaluation: sub-account analysis only.



EF-PR-539

All types of analysis are supported for the source account. However, default values are required. For example, if the source GL account has cost center analysis, a default cost center must be specified in the GL account Analysis tab in order for the account to be revaluated.

Daybooks

Currency Revaluation Setup - Daybooks

- 1 daybook, account type
- Daybook type must match account type:

Daybook	GL Account Type
Revaluation Customer Payments	Customer Payment Account
Revaluation Customers Customer	Control Account
Revaluation GL Bank	Bank, Cash, and Standard GL Accounts
Revaluation Intercompany	Cross-Company Control Accounts
Revaluation Suppliers	Supplier Control Account
Revaluation Supplier Payments	Supplier Payment Account
Revaluation Tax	Tax Account

- Layer
 - Source and target types always equal
 - Primary, secondary layers only



EF-PR-540

You must define revaluation daybooks for each account type that is being revalued, and the daybook type must match the account type.

Only daybooks of the primary and secondary layers can be used, and the source and target layer types must be the same.

GL Periods

Currency Revaluation Setup - GL Periods

- Multiple revaluation runs by period
- System reverses existing revaluation postings
- No revaluation postings in correction periods
- You can choose up to 3 source layers from which to revalue
- A subsequent revaluation with the same target layer as a previous revaluation for the same GL period must also use the same source layers.



EF-PR-541

Multiple revaluation runs can be made during the same GL period.

When a revaluation posting has been created for a particular GL period, a subsequent revaluation posting for the same period reverses the existing posting. You cannot create revaluation postings that occur in correction periods, or create a reverse posting to occur in a correction period.

You can choose up to three source layers to be revaluated and the target layer to which the revaluation posting must be made. A subsequent revaluation that has the same target layer as a previous revaluation for the same GL period must also use the same source layers as the previous revaluation. Alternately, all the source layers must be different in the subsequent revaluation for the same GL period to prevent overlap.

If the target layer is the same and the source layers overlap, then an error message will be displayed, and you cannot save the revaluation posting.

See *User Guide: QAD Financials* for detailed information and examples on multiple revaluations in the same GL period.

Currency Revaluation Transactions Activities

Currency Revaluation Activities

- **Simulate**
 - Status "Initial"
- **View**
 - No updates
- **Modify**
 - Only status "Initial"
 - Updates limited
- **Delete:**
 - Only status "Initial"
- **Post**
 - status "Posted"



EF-PR-542

View

Shows all data of a revaluation in read-only mode.

Modify

You can modify or delete revaluations only when all revaluation areas have an initial status. In this case, you can modify only the revaluation header or scope, and can delete entire rows in the Simulation tab of the Revaluation screen, but not modify the row data. The Exchange Rate tab is read only

Delete

Revaluation with all areas in Initial status can be deleted

Post

Select a number of revaluations and generate the postings. The selected Revaluation Areas are given the status Posted.

Revaluation Simulate

Revaluation Simulate

- Revaluation Simulate (25.21.1.1)
 - Specify period and posting details
 - Define scope
 - No postings



EF-PR-543

Revaluation Simulate activity (25.21.1.1) identifies the revaluations to run for the GL periods and revaluation areas specified. You can also specify the source layers where the balances are calculated and the target layer where the revaluation will be posted when you run Revaluation Post.

The Revaluation Scope settings let you identify specific types of accounts for which to run the revaluation process; for example, customer or supplier payment or control accounts, or balance sheet accounts. The account types you select are displayed in the Revaluation Area column of the simulation grid when you click Apply to begin the simulation.

You can choose to revalue relevant to the base currency, statutory currency, or both. The statutory currency revaluation will use the statutory exchange rate, unless you have specified a different revaluation rate in the currency settings in GL Account Create (25.3.13.1). When using the statutory exchange rate, you have the option to revert to using the accounting exchange rate if the statutory rate is unavailable. The fallback option is set in Exchange Rate Type Create (26.3.1).

The base currency revaluation and the statutory currency revaluation are not dependent. You can run the revaluations separately or together.

The simulation results are displayed in a hierarchical grid. You can drill down for more detail on individual items. The results are grouped by revaluation area, and by transaction currency or by transaction currency/sub-account combination if you defined sub-account analysis for the system accounts.

The results display the following information:

- The original debit and credit amounts in TC, BC, and SC.
- The revaluated debit and credit amounts in TC, BC, and SC.
- The revaluation differences to be posted.
- Analytical information, if you defined analysis on the accounts.

When you have completed the fields, click Save to save the revaluation.

Both Revaluation Simulate and the Revaluation report include all transactions in the revaluation scope. In addition, transactions that have no revaluation impact are included, that is, transactions where the revaluation difference is zero because the historical rate is the same as the revaluation rate.

By including all transactions in Revaluation Simulate and the Revaluation report, the system provides a complete reconciliation between the transaction amounts from before and after revaluation.

Revaluation Post

- Revaluation Post (25.21.1.5)
 - Post to accounts set up earlier
 - Generates revaluation and reversal postings (optional)



EF-PR-544

Similar to simulation, but with an impact on the GL. Use Revaluation Post (25.21.1.5) to post the revaluation differences to the relevant accounts.

You can only post a revaluation after you have saved it in Revaluation Simulate. Revaluation Post processes one or more of revaluation simulations, and creates the GL postings for them.

Select revaluations created using Revaluation Simulate for posting using the GL calendar year and GL period, revaluation number, layer, and revaluation scope items as search criteria. Click Add to add revaluations that match the criteria to the Posting grid.

Exercise: Revaluation

- 1 Create the following new exchange rates in Exchange Rate Create:

10USACO

Fields	Values
From Currency Code	USD
To Currency Code	CAD
Exchange Rate Type	ACCOUNTING
Valid From	current date
Exchange Rate	0.96

Fields	Values
From Currency Code	USD
To Currency Code	CAD
Exchange Rate Type	REVALUATION
Valid From	end of current GL period
Exchange Rate	0.98

22UKCO

Fields	Values
From Currency Code	GBP
To Currency Code	CAD
Exchange Rate Type	ACCOUNTING
Valid From	current date
Exchange Rate	1.4

Fields	Values
From Currency Code	GBP
To Currency Code	CAD
Exchange Rate Type	REVALUATION
Valid From	end of current GL period
Exchange Rate	1.56

- 2 Using GL Account Create, create the following accounts:

Field	Value	Field	Value
<u>Account 1</u>		<u>Account 2</u>	
Account	GWL5100	Account	GWL5200
Description	Purchase Account	Description	Purchase Account
GL Type	Standard Account	GL Type	Standard Account
Active	Yes	Active	Yes
Auto/Manual	Manual	Auto/Manual	Manual
Balance/P&L	P&L	Balance/P&L	P&L
Currency Code	CAD	Currency Code	CAD

Field	Value	Field	Value
TC Revaluation in BC	Revaluation Rate	TC Revaluation in BC	Revaluation Rate

- 3 Using Journal Entry Create, create the following transactions:

Field	Value
General Fields	
GL Calendar Year	2011
GL Period	current GL period
Posting Date	current date
Daybook	JE
Description	CAD Trans

Account	Amount	DR/CR
GWL5100	\$3,000 CAD	DR
GWL5200	\$4,500 CAD	DR
GL 2470 (Accrual account)	\$7,500 CAD	CR

- 4 In Revaluation Simulate, simulate the revaluation of balance sheet accounts as of the end of the current GL period and save the simulation.
- 5 Print the revaluation report for the above simulation and verify that the correct revaluation rates have been used.
- 6 Use Revaluation Post to post the revaluation as of the last day of the current GL period.

Intercompany and Cross-company Transactions

General Ledger Processing



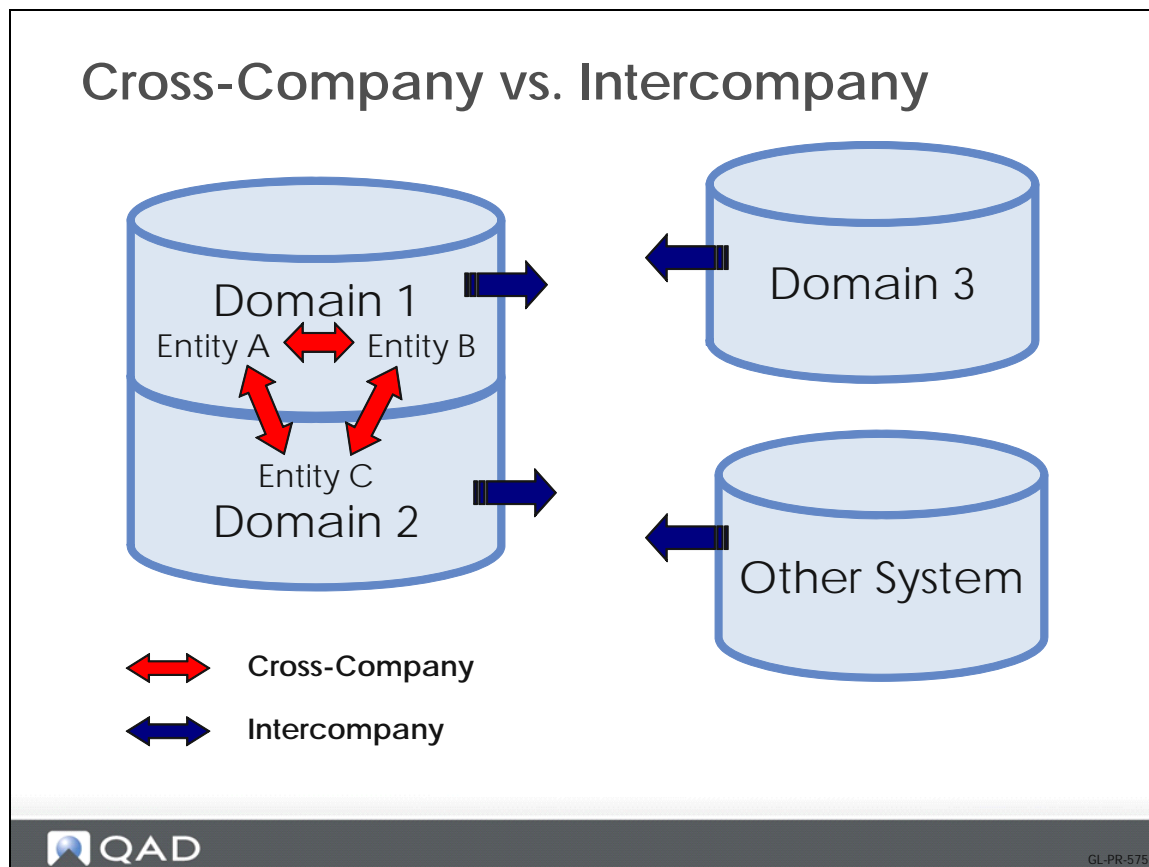
- Intercompany and Cross-company Transactions
- Mirror Accounting
- Year-End Close
- GL Reports



GL-PR-570

The system supports two types of transaction between entities within the same domain and across domains: intercompany transactions and cross-company transactions.

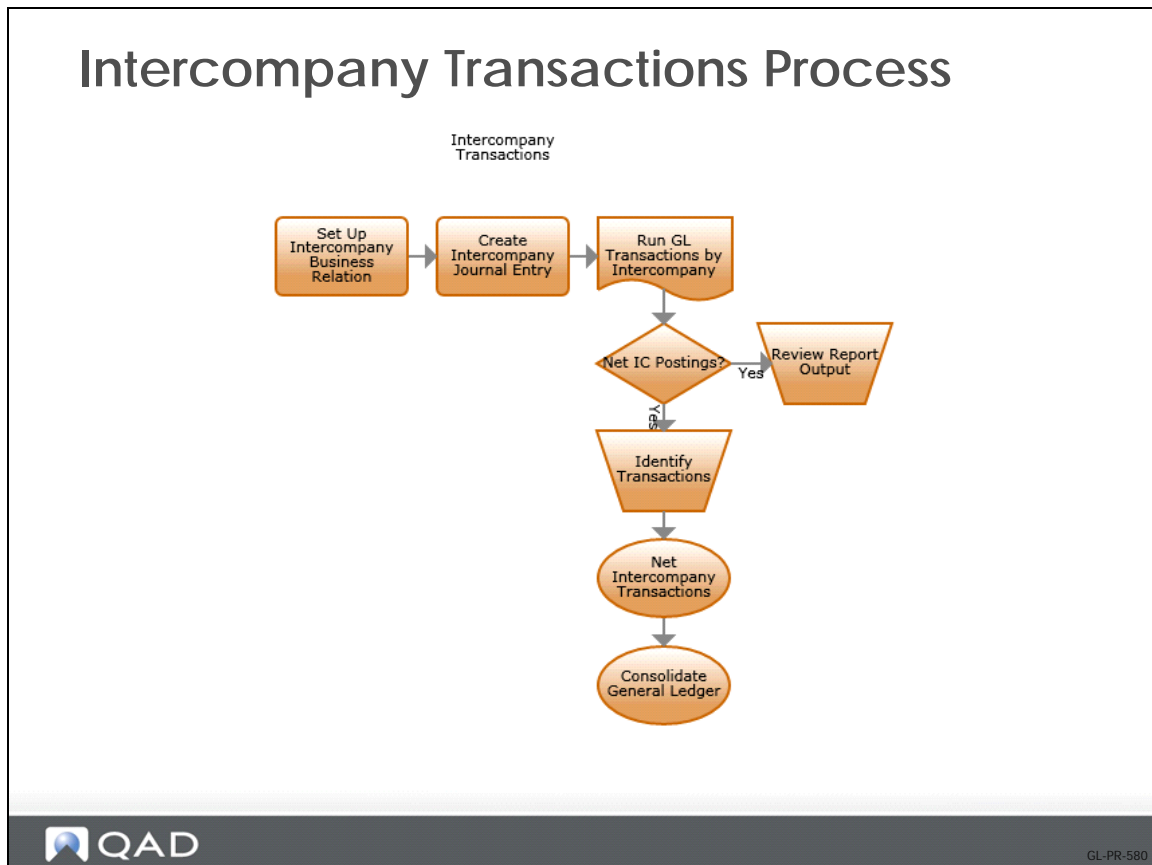
Cross-Company vs. Intercompany



Cross-company transactions span more than one entity, and the associated GL transaction posts to both entities.

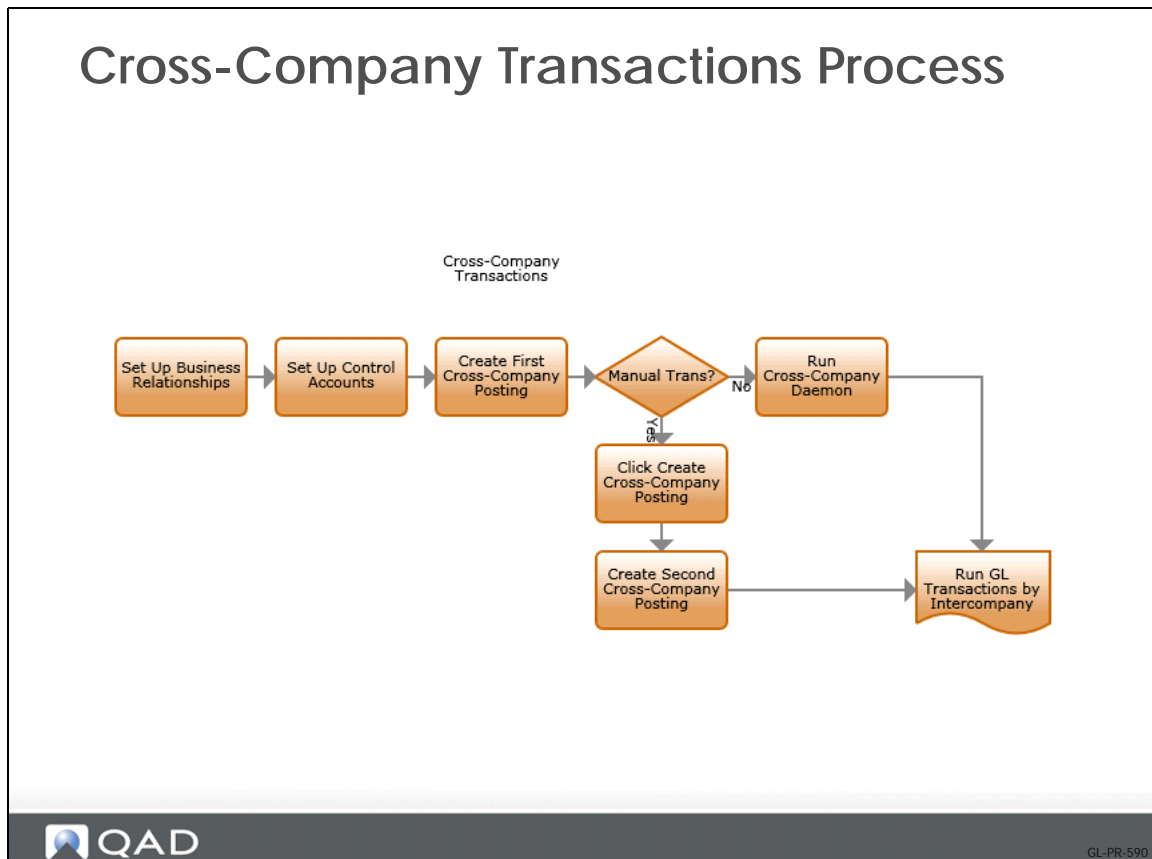
An intercompany transaction is a GL transaction or journal entry that affects only one entity, but contains an intercompany code within the GL transaction, as a reference to another entity. The GL transaction posts to one entity only. Use this feature to isolate internal transactions from those that relate to third parties. Intercompany transactions are identified using intercompany codes.

Intercompany Transactions Process



The slide shows the process map for intercompany transactions.

Cross-Company Transactions Process



Before processing cross-company transactions, specific setup is required. You will review these steps in detail.

Cross-company transactions can be processed manually or automatically.

Cross-Company Postings Overview

Cross-Company Transactions Overview

- Concept
- Types
- Setup requirements
- Example: journal entry



GL-PR-600

This section describes some important concepts and the setup required for cross-company postings, and includes an example to illustrate the process.

Cross-Company Posting Concepts

Concepts

- Transaction between two entities
- Both entities are in a QAD Enterprise Applications database
- Posting in both entities
- Special type of account: cross-company account



GL-PR-610

Use cross-company accounting functions to create balanced transactions between entities in a domain. When transactions or invoices are generated by another entity in the organization, these functions let you process the transactions or invoices in your current working entity. GL transactions are created in both entities.

Cross-company transactions use cross-company control accounts to link across entities.

Intercompany vs. Cross-Company Accounts

Intercompany Accounts

- Intercompany account
 - Reflects the position against another company of the same group
 - Each transaction uses an intercompany code
 - Balances and transaction reports
 - Multi-database, multi-system
- Cross-company account
 - Specific subcategory of intercompany
 - Each transaction has a reciprocal transaction in the other company
 - Cross domain but single database



GL-PR-620

To identify GL accounts used in intercompany transactions, select the Intercompany Account field in Account Create. This makes the Default Intercompany field available. Use this field to assign the intercompany code defined in the business relation of the intercompany entity.

Intercompany codes identify organizations that are members of a group of entities that trade with each other. This activity forms the basis for consolidation reporting at period closing, when the financial results of multiple entities are consolidated, and intercompany transactions are eliminated before consolidation.

Cross-Company Transaction Types

Cross-Company Transaction Types

- Journal entries
 - Cross-company control account posting
- Banking entries
 - Payment and open items registered in different entities
- Payment selections
 - Supplier, customer invoices registered in different entity



GL-PR-630

Journal entries

When a posting is done on a cross-company control account.

Banking entries

When a collection is recorded from a customer for open items registered in another entity.

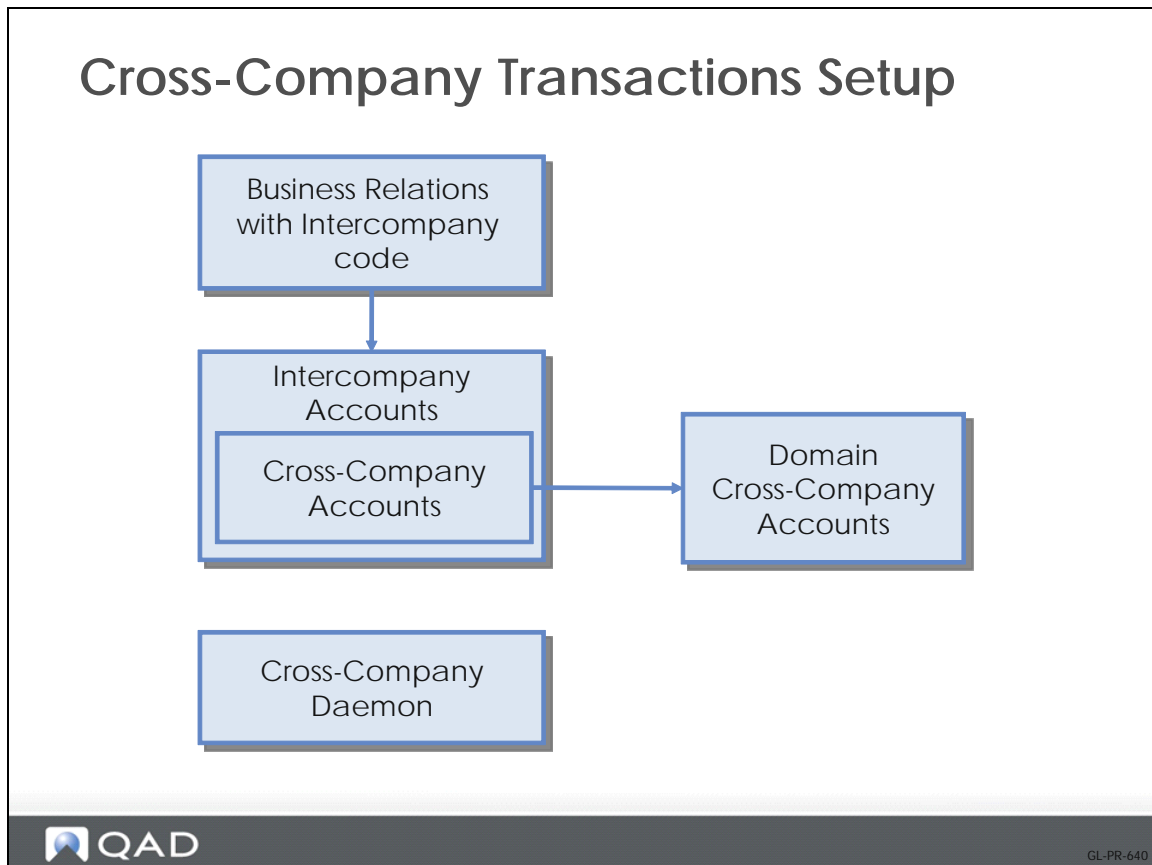
When a payment is recorded for a supplier for open items registered in another entity.

Payment selections

When supplier invoices are included that are registered in another entity.

When customer invoices are included that are registered in another entity.

Cross-Company Transaction Setup Flow



We will review these steps shown above in more detail.

Setup Requirements

Setup Requirements

- Cross-Company Daemon must be running
- Cross-company accounts
- Expense, Income accounts
- Business relation linked to entity
- Domain record

The left screenshot shows the 'Address Info' tab of the 'Domain Modify' window. The 'Intercompany Code' field is highlighted in red and contains the value '10-USA-CO'. Other fields include 'Language Code' (us), 'Domain Restricted' (unchecked), 'Internal Entity' (checked), 'Intercompany' (checked), and 'Customer/Supplier Compensation Allowed' (unchecked).

The right screenshot shows the 'Cross-Company' tab of the 'Domain Modify' window. It displays a table of GL accounts for the domain '10USA'.

GL Account	Account Number
Accounts Receivable GL Account	1950
Accounts Payable GL Account	2950
Inventory GL Account	1960
Manual Journal Entry GL Account	1970
Fixed Assets GL Account	1980



GL-PR-650

First, verify that the Cross-Company daemon is running in Cross-Company Daemon Monitor (36.14.16.5.3).

Then, set up the five required cross-company accounts in GL Account Create (25.3.13.1) for AR, AP, fixed assets, inventory, and manual journal entry transactions. The account type is Cross-Company Control Account. Also, expense and revenue accounts involved should have the Intercompany field selected.

Next, enter the five cross-company accounts in the domain record in Domain Modify (36.1.1.1.2) on the Cross-Company tab. The accounts specified are used for every cross-company posting line for each entity in the domain. Each domain in the database may use a different set of cross-company control accounts, depending on the shared set used in the domain.

Finally, in Business Relation Modify (36.1.4.3.2), modify the business relation linked to the entity. In the General tab, select the Intercompany field and enter the intercompany code.

Cross-Company Transaction Example

Cross-Company Transaction Example

- In entity 10USACO, post a fee revenue to receive from entity 11CANCO
- Fee amount: 10,000 USD
- Posting in 10USACO
 - DR: 1970 IC Manual JE GL Acct
 - CR: 4800 Revenue
- Posting in 11CANCO
 - DR: 7040 Fees
 - CR: 1970 IC Manual JE GL Acct



GL-PR-660

Scenario: Entity 10USACO and entity 11CANCO are both subsidiaries of a large organization. Human resource management and IT services for the entire organization are centralized in entity 10USACO.

Cross-company transactions are generated when entity 11CANCO uses either centralized service.

The GL Cross-Company Transactions View (25.15.2.11) lets you view cross-company transactions.

US Exercise: Cross-Company Posting

In this exercise, you will create cross-company postings.

Log in to entity 10USACO

Use the following parameters (if needed):

- Sub-account: use the default or else use Gserv
- Cost center: use the default or else use Adm.
- Daybook: JE
- Intercompany code: 10USACO has cross-company code 10USACO, 11CANCO has cross-company code 11CANCO
- For all other fields: use the lookup and choose from the list.
- Period: current GL period

Important Ensure that the Cross-Company daemon is running. Check Cross-Company Daemon Monitor; the status should be Running. If not, use Cross-Company Daemon Unconditional Stop, then Cross-Company Daemon Start to stop and restart the daemon.

- 1 Using Journal Entry Create (25.13.1.1) in entity 10USACO, make a cross-company posting for a fee of 10,000 USD against entity 11CANCO. The posting should be:

In entity 10USACO:

DR GL 1970 (IC Manual JE GL Acct)

CR GL 4800 (Income)

- 2 Specify the cross-company code for the journal entry and then right-click and select Create Cross-Company posting from the menu.

In Entity 11CANCO

CR GL 1975 (IC Manual JE GL Acct) USD

DR GL 7040 (Fees) USD

- 3 Check the postings in both entities using Journal Entity View (25.13.1.3).

EMEA Exercise: Cross-Company Posting

In this exercise, you will create a cross-company posting.

Use the following parameters (if needed):

- Log in to entity 22UKCO
- Sub-account: use the default or else use Gserv
- Cost center: use the default or else use Adm
- Daybook: JE
- Intercompany code: 22UKCO has cross-company code 22UKCO, 11CANCO has cross-company code 11CANCO
- For all other fields: use the lookup and choose from the list.

Important Ensure the Cross-Company daemon is running. Check Cross-Company Daemon Monitor; the status should be Running. If not, use Cross-Company Daemon Unconditional Stop, then Cross-Company Daemon Start to start the daemon.

- 1 Using Journal Entry Create (25.13.1.1) in entity 22UKCO, make a cross-company posting for a fee of 10,000 GBP against entity 11CANCO. The posting should be:

In entity 22UKCO:

DR GL 1970 (IC Manual JE GL Acct) GBP

CR GL 4800 (Income) GBP

- 2 Specify the cross-company code for the journal entry and then right-click and select Create Cross-Company posting from the menu.

In Entity 11CANCO

CR GL 1975 (IC Manual JE GL Acct) GBP

DR GL 7040 (Fees) GBP

- 3 Check the posting in both entities with Journal Entity View (25.13.1.3).

Posting in 22UKCO

Posting in 11CANCO

- 4 Run GL Transaction by Intercompany Code (25.15.1.5) for both the entities 22UKCO and 11CANCO.

Mirror Accounting

General Ledger Processing



- Intercompany and Cross-company Transactions
- **Mirror Accounting**
- Year-End Close
- GL Reports



GL-PR-680

Mirror accounting is used in several European accounting systems to ensure that inventory transactions are reflected immediately in the income statement, as well as in the balance sheet.

Mirror Accounting

Mirror Accounting

- Links a set of source (balance sheet) accounts to a set of mirror (income statement) accounts.
- Inventory transactions are reflected immediately in the income statement and balance sheet.
- When an inventory transaction updates the source account:
 - The system generates a mirror posting.
 - Updates the mirror account simultaneously.
- Applies to inventory control transactions only



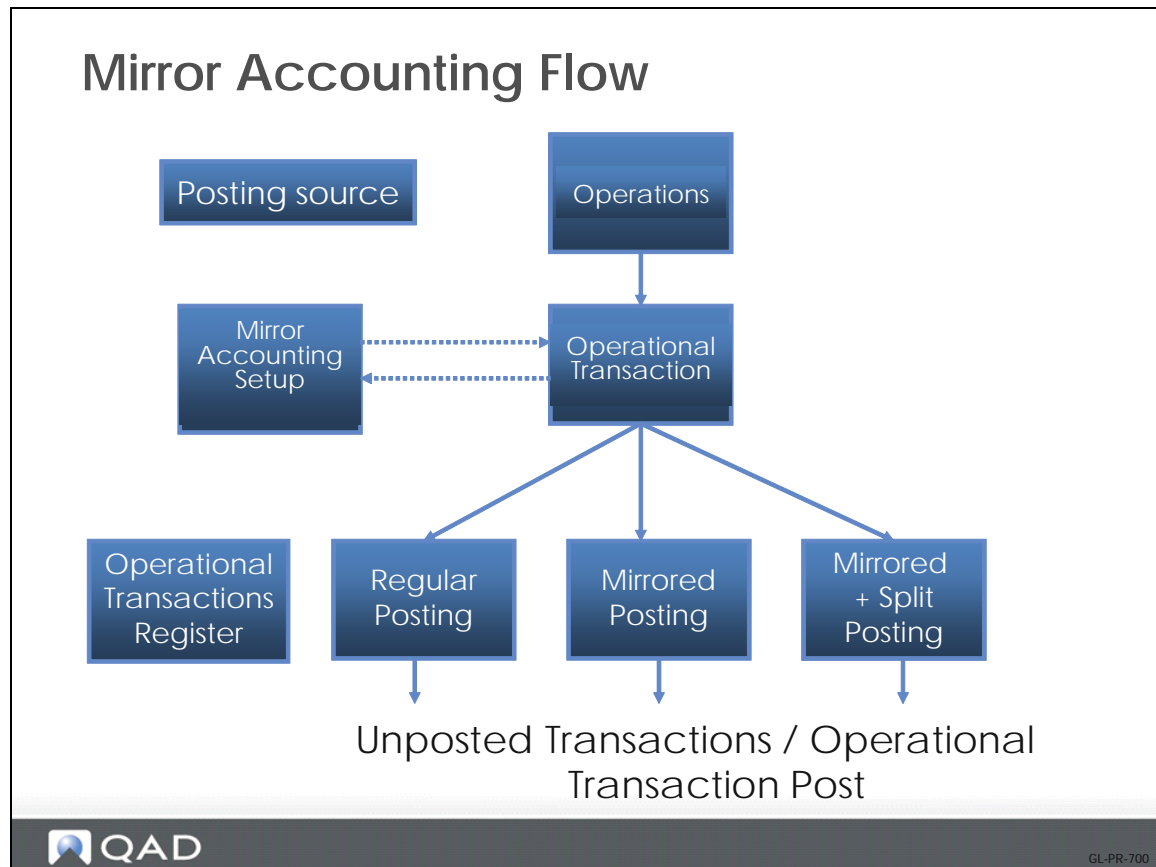
GL-PR-690

Mirror accounting links a set of source (balance sheet) accounts to a set of mirror (income statement) accounts. When an inventory transaction is posted that updates the source accounts, the system generates a mirror posting that updates the mirror accounts simultaneously.

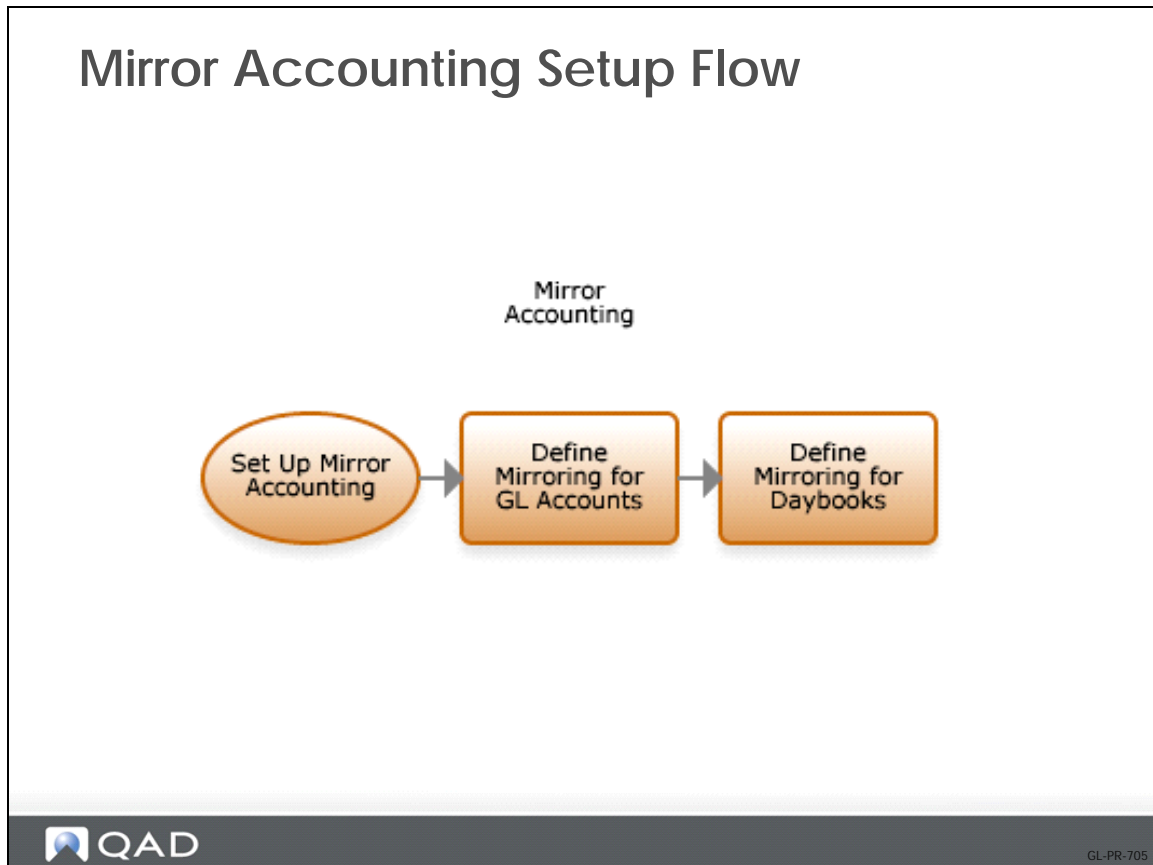
You can apply mirror accounting to inventory control transactions only, such as PO Receipts, WO receipts, inventory movements, and SO shipments.

Mirroring adds two posting lines to the original transaction, which update the mirror accounts you defined.

Mirror Accounting Flow

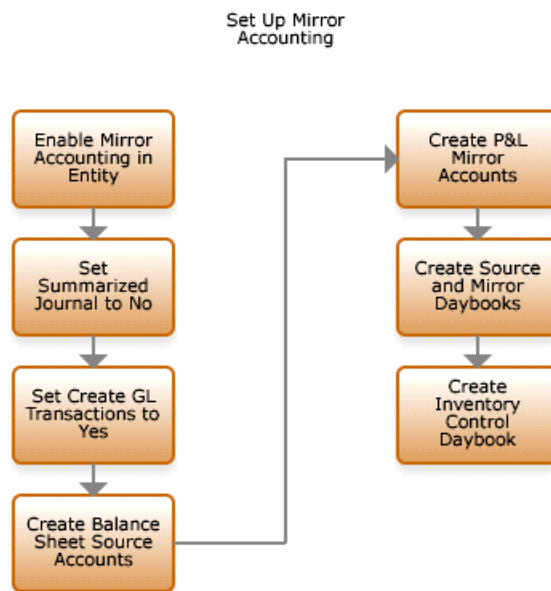


Mirror Accounting Setup Flow



You must complete both operational and financial steps to set up mirror accounting. These steps are listed on the process maps above and below.

Mirror Accounting Setup Flow



GL-PR-707

You enable mirror accounting as an attribute of the entity.

- In Inventory Accounting Control (36.9.2), set Summarized Journal to No, and set Create GL Transactions to Yes.
- Use GL Account Create (25.3.13.1) to create the source and mirror GL accounts, and Mirroring GL Account Create (3.20.7.1) to link these accounts.
- Use Mirror Daybook Create (3.20.6.1) to create the mirroring daybooks.

Mirror Accounting Setup

Mirror Accounting Setup

- Activate at entity level
- Set up mirror daybooks pairs using Mirroring Daybook Create
- Set up mirror account pairs using Mirroring GL Account Create



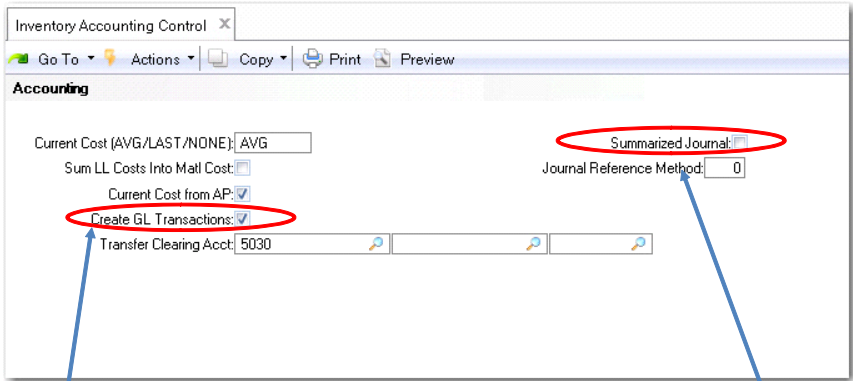
GL-PR-710

Configure mirror accounting using the following steps.

- 1 Define mirror accounting for the entity.
- 2 Define your source and mirror daybooks.
- 3 Define your source and mirror accounts, and define the settings for split transactions, if required.

Inventory Account Control Settings


Inventory Account Control Settings



The screenshot shows the 'Inventory Accounting Control' window. The 'Accounting' section contains several settings. Two settings are highlighted with red circles and blue arrows pointing to explanatory text below the window:

- Create GL Transactions:** This checkbox is checked. A blue arrow points from this checkbox to the text: Create GL Transactions
If set to No, mirror accounting is disabled.
- Summarized Journal:** This checkbox is unchecked. A blue arrow points from this checkbox to the text: Summarized Journal
Set this field to No for mirror accounting.

Other visible settings include: Current Cost (AVG/LAST/NONE): AVG, Sum LL Costs Into Matl Cost: [unchecked], Current Cost from AP: [checked], Journal Reference Method: 0, and Transfer Clearing Acct: 5030.


GL-PR-720

When Create GL Transactions is set to No in Inventory Accounting Control, the system does not generate IC transactions, and mirror accounting is disabled.

When Summarized Journal is set to Yes in Inventory Accounting Control (36.9.2), operational transactions are summarized before they are posted. In this case, the mirroring information on individual transactions is executed but the split transactions are summarized, and the individual split transactions are not displayed in subsequent reports.

Creating Mirroring Daybooks


Creating Mirroring Daybooks

The screenshot shows the 'Mirroring Daybook Create' window with the following fields:

Field	Value
Domain	Domain1
Entity	1000
Source Daybook	003T
MirrorDaybook	DMMAS
Source Daybook Type	Journal Entries
Mirror Daybook Type	Journal Entries
Source Layer	OFFICIALayer
Mirror Layer	MANAGEMENTLayer
Source Layer Type	Official
Mirror Layer Type	Management
Source Daybook Control	Operational
Mirror Daybook Control	Operational

Annotations:

- Red arrows point from 'Domain1' and '1000' to the text: "Create the source and mirror daybooks as a linked pair."
- Blue arrows point from 'Operational' and 'Operational' to the text: "The source and mirror daybook control must be the same."


GL-PR-730

Use Mirroring Daybook Create (3.20.6.1) to create source and mirror daybooks. You create the source and mirror daybooks as a linked pair.

You can select the same daybook for both source and mirror, and the mirror daybook can be any daybook of type Journal Entry in either the primary (official) or secondary (management) layer.

Mirror Daybooks

- You can select the same daybook for both source and mirror.
- The daybooks can be in either official or management layer
 - At least one daybook must be in the official layer.
- The source and mirror daybook type must be of type Journal Entries.



GL-PR-740

The following restrictions apply when defining source and mirror daybooks:

- The daybooks can be in either primary or secondary layer, but at least one must be in the primary layer.
- The source and mirror daybook type must be of type Journal Entry.
- The source and mirror daybook control (operational only) must be the same.

Defining Mirroring Accounts

Defining Mirroring Accounts

The screenshot shows the 'Mirroring GL Account Create' window. It includes a menu bar with 'Go To', 'Actions', 'Tools', 'Attach', 'Print', and 'Preview'. Below the menu is an 'Attachments' section. The main area is divided into two columns. The left column contains fields for 'Source 1 Account' (0005SOAA), 'Source 1 Account Type' (Standard Account), 'Source 1 System Type', 'Source 1 Sub-Account', 'Source 1 Cost Center', 'Source 1 Project', 'Source 2 Account' (0004SOAA), 'Source 2 Account Type' (Standard Account), 'Source 2 System Type', 'Source 2 Sub-Account', 'Source 2 Cost Center', 'Source 2 Project', 'Account Split Type' (Source and Minor Accounts Mixed), 'Transaction 1 Daybook' (Source Daybook), and 'Transaction 2 Daybook' (Mirror Daybook). The right column contains fields for 'Entity' (1000), 'Mirror 1 Account' (00000INV), 'Mirror 1 Sub-Account', 'Mirror 1 Cost Center', 'Mirror 1 Project', 'Mirror 2 Account' (0011SOAA), 'Mirror 2 Sub-Account', 'Mirror 2 Cost Center', and 'Mirror 2 Project'.

Source Account

- Cross-company control
- Standard account
- Inventory control
- System accounts:
 - PO Receipts
 - Unmatched Invoices

Mirror Account

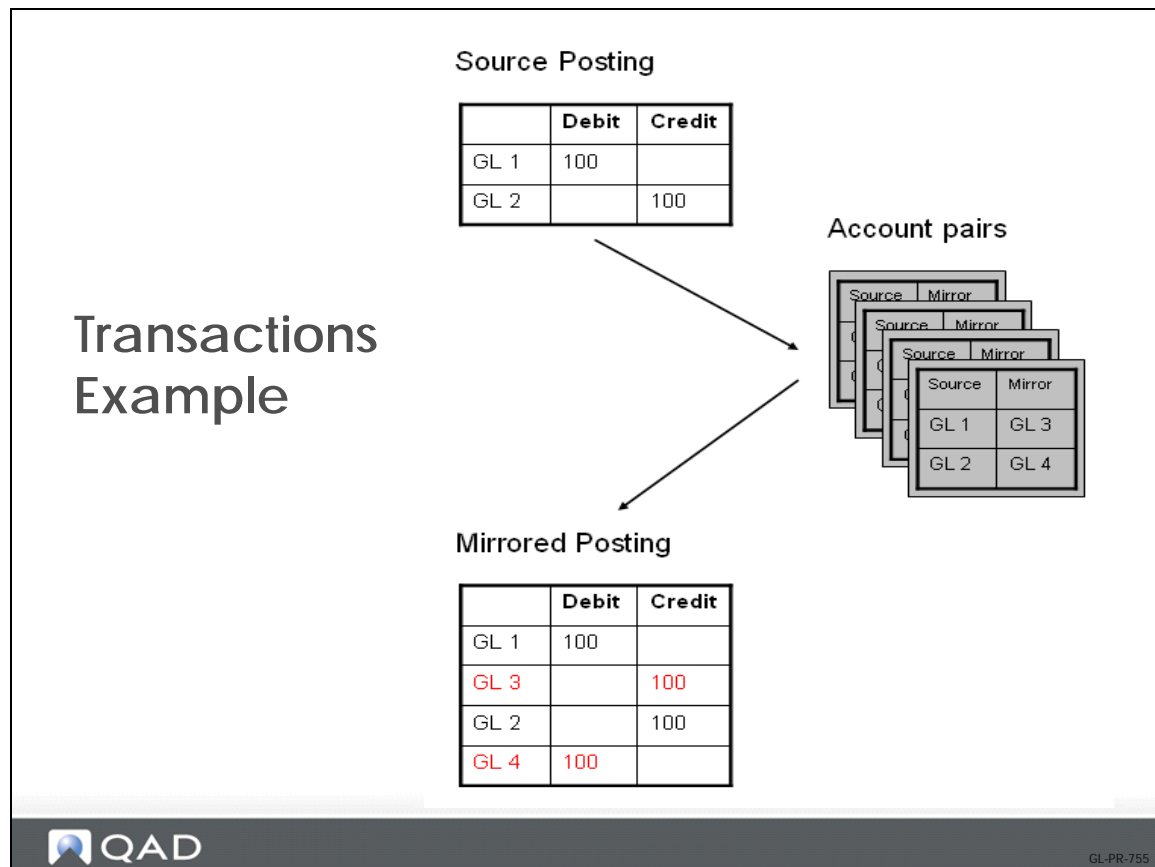
- Standard accounts only



GL-PR-750

Use Mirroring GL Account Create (3.20.7.1) to create mirror account configurations. Use this function also to define mirroring analysis and transaction splitting options.

Transaction Example



When the prerequisites are fulfilled, mirror accounting automatically creates an additional pair of GL posting lines from a source transaction.

Transaction Example—Split

Transaction Example - Split

Mirrored Posting

	Debit	Credit
GL 1	100	
GL 3		100
GL 2		100
GL 4	100	

Split option 1

	Debit	Credit
GL 1	100	
GL 3		100

	Debit	Credit
GL 2		100
GL 4	100	

Split option 2

	Debit	Credit
GL 1	100	
GL 2		100

	Debit	Credit
GL 3		100
GL 4	100	

Each transaction is assigned
a daybook from the mirror
daybook setup

Optionally, the mirrored transaction is split into two sub transactions, which can be posted in a different daybook.

Year-End Closing

General Ledger Processing



- Intercompany and Cross-company Transactions
- Mirror Accounting
- **Year-End Closing**
- GL Reports



GL-PR-770

This sections describes the steps required to close the GL calendar year to new transactions.

Year-End Closing

Year-End Closing

- Close the GL calendar year to new transactions.
- **Setup:** Create the accounts and daybooks required.
- **Verify:** Perform a number of checks on the GL calendar year to close.
- **Register:** Run a process to create correction periods (if required), postings, and close all GL periods in the year.



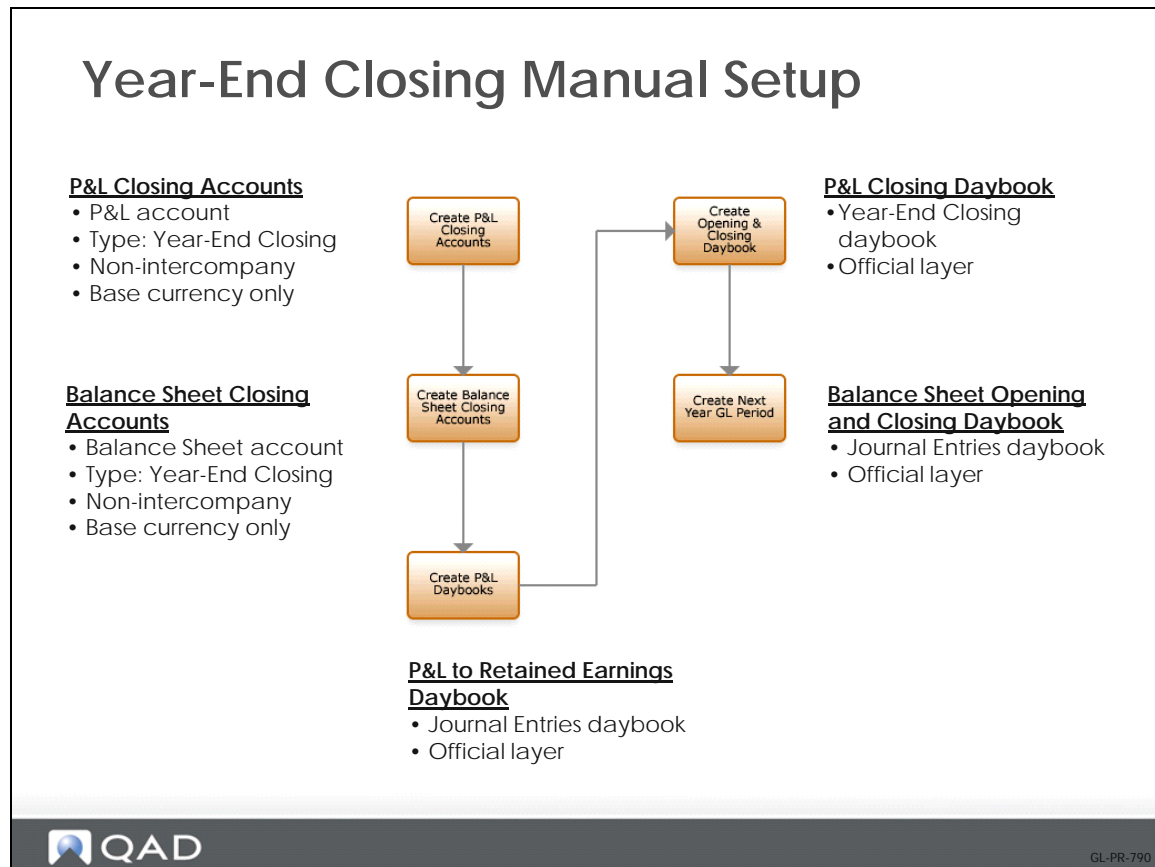
GL-PR-780

The Year-End Closing activities (25.21.4) let you run a process to automatically create closing postings, and to close the GL calendar year to new transactions.

The year-end closing process comprises three steps:

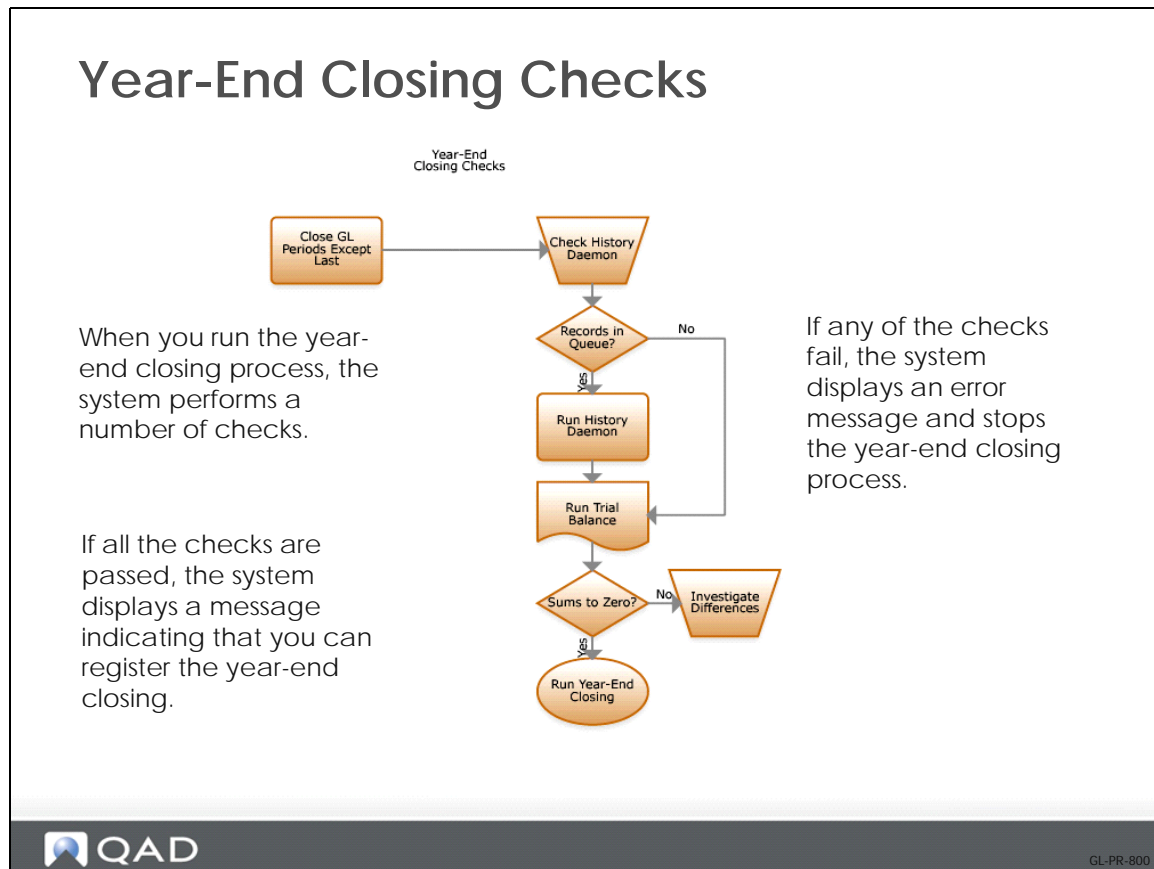
- A setup step to create all accounts and daybooks required.
- A verification step that includes a number of checks on the GL calendar year to close.
- A registration step where the process creates correction periods (if required), postings, and closes all GL periods in the GL calendar year.

Year-End Closing Manual Setup



Before running year-end closing, you must set up the GL accounts and daybooks used by the process.

Year-End Closing Checks



You can create year-end adjustment postings only when the following conditions are met:

- Each GL period year and entity has been closed to transactions from modules other than GL.
- All of the GL periods for the specified year and entity are closed, except for the last one.
- The GL calendar year has not been closed.
- The system history tables are up to date, and the History daemon has no records to process.
- The trial balance sums to zero.
- The profit and loss balance is set to zero, if you closed the GL calendar year manually.

If any of the checks fail, you cannot run the year-end closing process.

Run Year-End Closing

Run Year-End Closing

Year-End Closing Execute

Go To Actions Tools Print Preview Attach

GL Calendar Year

Auto-Transfer Profit/Loss to BS ☒ Include Sub-Accounts ☒

Profit/Loss Closing Account Profit/Loss Closing Sub-Account

Balance Sheet Closing Account Balance Sheet Closing Sub-Account

Automated Profit/Loss Transfer Daybook Default Tax Code

Closing Profit/Loss Daybook

Closing Balance Daybook

Transfer Numbering Date

Closing Numbering Date

Reopen Numbering Date

QAD GL-PR-810

Closing the GL calendar year has the effect of changing the status of all of its GL periods to frozen, and of marking all periods as reported.

Year-end closing postings are done only at account and sub-account level, and in the base and management currencies only.

When Additional GL Numbering is enabled, you can specify numbering dates for year-end closing postings in Year-End Closing Execute (25.21.4.1).

Validate the year-end closing by manually running closing reports on every period.

If the conditions to close the accounting year are met, the following actions are triggered:

- System creates “closing period”
- System creates “opening period (00)”
- P&L transfer to Balance Sheet posting (optional)
- P&L closing posting
- Balance Sheet closing posting
- Balance Sheet reopening posting
- Freeze accounting periods of the year
- Year Closing Postings:
 - GL and Sub-account level

- BC and SC

GL Reports

General Ledger Processing



- Intercompany and Cross-company Transactions
- Mirror Accounting
- Year-End Closing
- **GL Reports**

GL Reports

GL Reports

- GL provides a wide-range of analytical and structural reports.
 - Financials Reports
 - GL transactions
 - Analytical
 - GL Closing
 - Structured reports
- Monitor transactions in the general ledger.
- GL reporting can be detailed or summarized.
- Postings to GL accounts are summarized in history tables, updated by the History daemon.



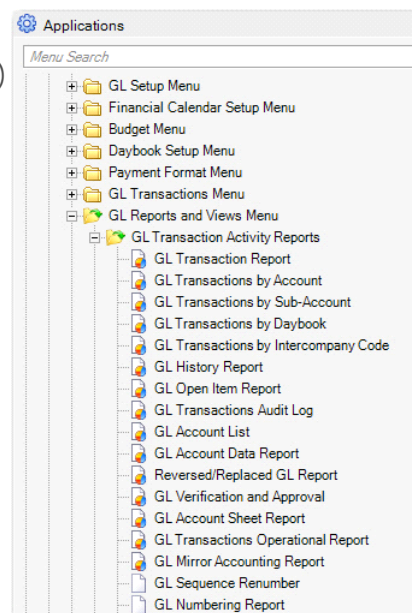
GL-PR-900

The general ledger provide a wide-range of analytical and structural reports. The budgeting, GL activity, and cash flow reports let you to view and manage account balances in the general ledger. The GL transaction reports let you monitor transactions in the general ledger.

GL reporting can be detailed or summarized, and includes information on one or a range of entities. In addition, you can define supplementary analysis fields (SAFs) to fine-tune transaction reporting. These provide the basis for powerful and flexible financial reporting and analysis. You can define SAFs based on your unique reporting requirements.

GL Transaction Reports

- GL Transaction (25.15.1.1)
- GL Transactions by Account (25.15.1.2)
- GL Transactions per Sub-Account (25.15.1.3)
- GL Transactions by Daybook (25.15.1.4)
- GL Transactions by Intercompany Code (25.15.1.5)
- GL History (25.15.1.6)
- GL Open Item (25.15.1.8)
- GL Transactions Audit Log (25.15.1.9)



GL-PR-910

GL Transaction reports list activity on GL accounts.

GL Transaction Report

The GL Transaction report lists all posting lines for the selected daybooks. The postings are grouped by GL calendar year and GL period, daybook code, and entity. Within each grouping of daybook code and entity, transactions are grouped by voucher and posting date.

GL Transactions by Account Report

The GL Transactions by Account report lists all activity for the selected GL accounts during the selected time frame, grouped by account.

GL Transactions by Sub-Account Report

The GL Transactions by Sub-Account report lists all activity for the selected GL accounts during the selected time frame, grouped by sub-account.

GL Transactions by Daybook Report

The GL Transactions by Daybook report lists all activity for the selected GL accounts during the selected time frame, grouped by daybook.

GL Transactions by Intercompany Report

The GL Transactions by Intercompany report lists all activity for the selected GL accounts and time frame, grouped by intercompany code.

GL History Report

The GL History report lists transactions on the GL accounts that meet the selection criteria for the periods indicated. It also lists the currency in which each transaction was denominated.

GL Open Item Report

The GL Open Item report lists and totals GL open items within the Open Items sub-ledger. The output is grouped by allocation key.

GL Transactions Audit Log Report

The GL Transactions Audit Log report prints a detailed list of each transaction for a particular GL period. It is only possible to run the report for a single GL period.

GL Transaction Reports - Continued

- GL Account List (25.15.1.10)
- GL Account Data (25.15.1.11)
- Reversed/Replaced GL (25.15.1.12)
- GL Verification and Approval (25.15.1.13)
- GL Account Sheet (25.15.1.14)
- GL Transactions Operational (25.15.1.15)
- GL Mirror Accounting (25.15.1.16)
- GL Sequence Renumber (25.15.1.17)
- GL Numbering (25.15.1.18)



GL-PR-920

GL Account List Report

The GL Account List report displays the starting balance of selected accounts from a report start date specified by the user.

GL Account Data Report

The GL Account Data report displays a full description of each GL account identified by the selection criteria.

Reversed/Replaced GL Report

The Reversed/Replaced GL report displays a list of all reversed/replaced GL transactions for the period indicated in the selection criteria.

GL Verification and Approval Report

The Reversed/Replaced GL report displays data created during the status transitions for which verify and approve statuses have been defined.

GL Account Sheet Report

The GL Account Sheet report shows the balance of the selected accounts at the specified start date and all transactions with the balancing accounts in detail up to the specified end date of the report.

GL Transactions Operational Report

This report is similar to GL Transaction Report (25.15.1.1), but focuses on postings created from operational transactions and their associated details, such as the GL reference, transaction type, doc type, and address.

GL Mirror Accounting Report

This report displays the source and mirror postings for a selection of source accounts and source daybooks. The report identifies the source and mirror posting lines and daybooks both for split and non-split transactions.

GL Sequence Renumber Report

The GL Sequence Renumber report (36.30) can be used to renumber additional GL numbering sequence numbers for the current entity or for all the entities in a numbering group, if the current entity is a source entity.

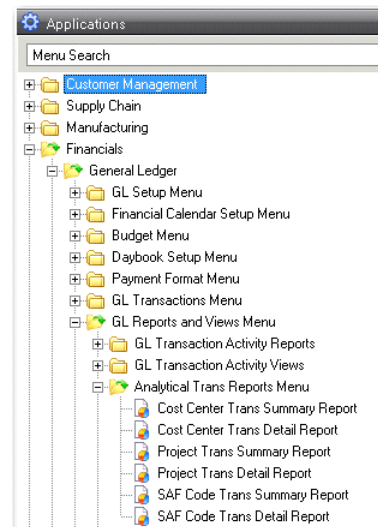
GL Numbering Report

The GL Numbering report (36.1.99) lists all transactions posted over the specified time frame. The pages in the GL Numbering report are numbered progressively for the whole year.

Analytical Transaction Reports

Analytical Transaction Reports

- Cost Center Transaction Summary (25.15.3.1)
- Cost Center Transaction Detail (25.15.3.2)
- Project Transaction Summary (25.15.3.3)
- Project Transaction Detail (25.15.3.4)
- SAF Code Transaction Summary (25.15.3.5)
- SAF Code Transaction Detail (25.15.3.6)



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Cost Center Transaction Summary Report

This report lists cost center balances, including the opening and closing balance for each cost center and GL period, and the value of project transactions for that period.

Cost Center Transaction Detail Report

This report lists all transactions that comprise the transaction total for each cost center.

Project Transaction Summary Report

This report generates a summary of project transactions including the opening and closing balance for each project and GL period, and the value of project transactions for that period. Lets you select by project status.

Project Transaction Detail Report

This report generates a detailed list of project-specific postings.

SAF Transaction Summary Report

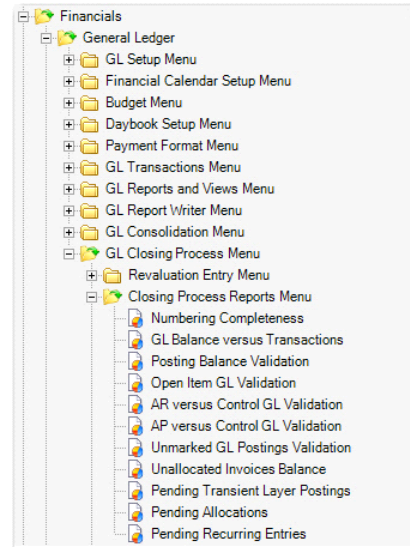
This report lists all transactions in which SAFs are used in combination with GL accounts and sub-accounts.

SAF Transaction Detail Report

This report provides a detailed breakdown of GL postings, based on SAF codes.

GL Closing Reports

- Revaluation Report (25.21.1.6)
- Numbering Completeness (25.21.2.1)
- GL Balance vs Transactions (25.21.2.2)
- Posting Balance Validation (25.21.2.3)
- Open Item GL Validation (25.21.2.4)
- AR vs Control GL Validation (25.21.2.5)
- AP vs Control GL Validation (25.21.2.6)



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Before you can close a GL period, all data for that period must be consistent and complete.

A number of reports are provided for this purpose. For the closing process, you must manually run these reports and, if no issues or exceptions are found, close the GL period.

These reports are all on the Closing Process Reports menu (25.21.2) except for the Revaluation Report, which is grouped with other revaluation activities.

Revaluation Report

This report displays the revaluation results for the current entity, optionally in the management currency.

Numbering Completeness Report

This report checks for gaps in the numbering of documents and lists any discrepancies. It also checks other periods for numbering errors.

GL Balance vs Transactions Report

This report lets you verify whether the sum of all detail transactions equals the balance.

Posting Balance Validation Report

This report lists the balance of all postings for the specified period in the base currency and management currency.

Open Item GL Validation Report

This report sums GL open items with the Open Items sub-ledger.

AR vs Control GL Check Report

This report compares the balances of Customer Control accounts against the open item balance of customers whose accounts are Invoice Control GL or Credit Note Control GL.

AP vs Control GL Check Report

This report compares the balances of Supplier Control accounts against the open item balance of suppliers whose accounts are Invoice Control GL or Credit Note Control GL.

GL Closing Reports - Continued

- Unmarked GL Postings Validation (25.21.2.7)
- Unallocated Invoices Balance (25.21.2.9)
- Pending Transient Layer Postings (25.21.2.10)
- Pending Allocations (25.21.2.11)
- Pending Recurring Entries (25.21.2.12)



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Unmarked GL Postings Validation Report

This report lists transactions that do not have a period mark.

Unallocated Invoices Balance Report

This report checks the consistency of the unallocated supplier invoice balance by comparing:

- The balance on the system account of type Unmatched Invoices
- The total of unmatched supplier invoices.

Pending Transient Layer Postings Report

This report identifies unposted entries in the Transient layer, which you can then transfer to the primary (official) layer.

Pending Allocations Report

This report prints details of transactions that are pending allocation.

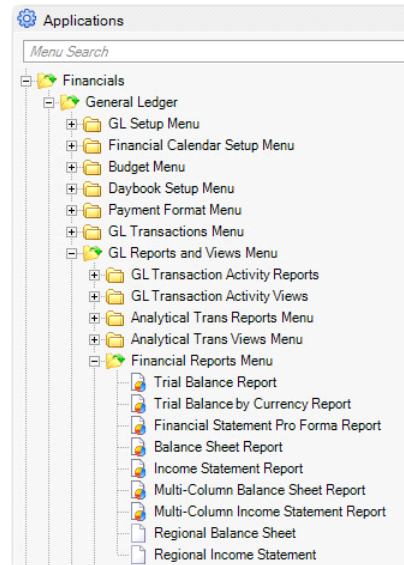
Pending Recurring Entries Report

This report checks for unposted recurring entries. The report output is sorted by recurring entry code and posting date.

Financial Reports

Financial Reports

- Balance Sheet Report
 - Summarizes a company's resources, liabilities, and equity at a given point in time.
- Income Statement Report
 - Shows profit or loss for a given time period.
- Trial Balance Report
 - Lists the title and amount for all accounts.
 - Makes it easier to identify errors and adjust before printing formal statements



GL-PR-960

Generally accepted accounting practice requires that a company's financial information be periodically compiled in two financial statements: a balance sheet and an income statement. The balance sheet provides a summary of a company's resources, liabilities, and equity at a given point in time. The income statement shows profit or loss for a given time period. The amount of detail presented in these statements often varies according to the audience.

Most companies print a trial balance summary or detail report before printing statements. The trial balance lists the title and amount for all accounts, making it easier to spot errors and make adjusting entries before printing formal statements.

Report structures let you define the hierarchy of levels for which data will be accumulated for the Balance Sheet and Income Statement Reports.

Review

Course Overview

- ✓ Introduction to General Ledger
- ✓ Business Considerations
- ✓ Set up General Ledger
- ✓ Process General Ledger Transactions

