Share Account Type

(Shares, Stocks, Equities, securities or financial equities) they all are a different terminologies for the same meaning “the Ownership”

At the end this product type means the CIF got ownership of something that is financially perspective is from Asset Nature

The main aspect of this account is to maintain the average cost of the Share, which is get affected while executing the purchase transaction.

The main identifier for this account is the (name of the account coupled with the CIF)

The main method for calculating the cost is based on the average cost, which is simply as taking the new price plus the old cost and divide them by the whole number of units, however the combined sheet represents the different scenarios for this Account.

The below fields will be kept by the System

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| --- | --- | --- |
| **Field** | **Level** | **Description** |
| Serial | TRAN | Auto Generated by the system, to indicates the order of entry as it affects the calculations |
| TRAN DATE | TRAN | Transaction date , the date of the transaction occurred, could be in the Past , today or even in Future (no Restriction at all) |
| SETTLMENT DATE | TRAN | Settlement date, which is the date on, the settlement of the Trade will courses, for example the user may enter transaction on (25/01) and settle it on (27/01), thus the Share account will get effected on (25/01), and later on (27/01) the settlement with Cash Asset Account will be effected. |
| Open DATE | SYS | The Open Date of the Account , first date on which a transaction occurred |
| CIF\_NO | SYS | Owner of the Account |
| Name | SYS | Name of the Account, which is the Stock name, a recommended name is the (Stock Symbol) if its listed, otherwise a unique name should be given |
| TYPE | TRAN | Transaction Type which is either BUY or SELL |
| Quantity | TRAN | Purchased Quantity or sold Quantity |
| Unit Price | TRAN | Unit Price used in the transaction, the price on which user purchased or sold |
| TRN AMT | TRAN | Calculated Price of the Transaction  (Quantity \* Unit Price) |
| ACT QTY | SYS | The accumulative number of Quantity, simply calculated as following :  (BUY) : new QTY = OLD QTY + Quantity (SELL) : new QTY = OLD QTY – Quantity |
| ACT AMT | SYS | The Account Amount, by which it will be in the balance of the Account  calculated as following :  (BUY) : new AMT = OLD AMT + TRAN AMT  (SELL) : new AMT = OLD AMT – (Quantity \* NEW AVG) |
| AVG | SYS | The average cost of this cost, by which it will evaluated while selling to compare Profit Or Loss, it get calculated only in Case of BUY  (BUY) :  new AVG = (OLD AMT + TRAN AMT) / NEW ACT QTY |
| TRAN P&L | TRAN | In case only of SELL Transaction In case only of SELL  P&L = (Unit Price – AVG) \* Quantity |
| ACT P&L | SYS | The accumulative of TRAN P&L, which is calculated in case of SELL Only |

The Required accounting structure is as following:

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| --- | --- |
| **Accounting Structure** | **Description** |
| BUY | The Legs that will be executed on Buy Transaction   |  |  | | --- | --- | | Asset Account | The Asset GL for the Share Account , which below the Account will goes on | | Cash Account | Which will be affected on the Settlement Date | | WIP Account | Will be used in cases the Settlement Date is bigger than the TRAN Date | |
| SELL | The Legs that will be executed on SELL Transaction   |  |  | | --- | --- | | Asset Account | The Asset GL for the Share Account , which below the Account will goes on | | Cash Account | Which will be affected on the Settlement Date | | WIP Account | Will be used in cases the Settlement Date is bigger than the TRAN Date | | P & L Account | Will be user to book any Profit or Loss, in Case Profit a Credit Transaction will be executed, else a debit transaction | |