WAY4™ Accounting

Contents

Introduction

This document contains information about general concepts of recording bank transactions in WAY4 and recommendations for system configurations necessary for accounting.

When working with this document, it is recommended to use the following resources from the WAY4 documentation series:

- Documents
- WAY4™ Accounting Schemes
- Products and Contract Subtypes
- Currency Conversion
- Daily Procedures
- GL Reports
- WAY4™ Global Parameters
- Export of GL Entries and subsidiary GL Entries in UFX Format (until 03.35.30 Export of GL Traces and GL Transfers in UFX Format)
- WAY4™ Service Packages
- Financial Institutions
- Standing Payment Orders
- Interchange Routing
- Customer Support
- Issuing Module
- Acquiring Module
- DB Manager User Management
- WAY4™ Dictionaries

The following notation is used in the document:

- Field labels in screen forms are shown in *italics.*
- Button labels in screen forms are shown in square brackets, as in [Approve].
- Sequences for selecting user menu items are shown using arrows, for example: "Configuration Setup → Contract Types".
- Warnings about potentially hazardous situations or actions are marked with the  sign.
- Messages marked with the  sign contain information about important features, additional options, or the best use of certain system functions.

Chapter 1. Terms and Definitions

Chart of Accounts – a systemized list of accounting records determining the number of accounts, how they are grouped, and their numerical identifier depending on accounting objects and goals. For example, in the Russian Federation, the Chart of Accounts contains a full list of first order accounts and their subaccounts (second order accounts). Within the Chart of Accounts, accounts are grouped according to headings and heading sections (for example, Heading A "Balance Accounts" contains the sections "Capital", "Interbank transactions", etc.).

Consolidation of data on accounting accounts – depending on data aggregation requirements, accounting accounts can be separated into accounts of various data consolidation levels. For example, in the Russian Federation, the following division exists:

- *First order accounts* – bank accounting basic accounts, provided for by the Chart of Accounts, in which the most general accounting records are kept. First order account numbers consist of three digits. An example is 102 "Charter capital of credit organizations".
- *Second order accounts* – bank accounting subaccounts provided for by the Chart of Accounts and showing detail for first order accounts. Second order account numbers consist of five digits: For example: 10207 "Charter capital of credit organizations created as joint-stock companies ".

General Ledger Accounting – consolidated recording of subsidiary ledger data on General Ledger accounts. General Ledger accounting provides consolidated data in a monetary expression. General Ledger data is detailed in subsidiary ledgers.

General Ledger Accounts – the list of General Ledger accounts constitutes the Chart of Accounts in which each has its own number. For example, in the Russian Federation, General Ledger accounts are first order accounts and second order accounts (opened for complex first order accounts).

Subsidiary Ledgers – detailed records kept in the bank's subsidiary accounts, in individual accounts and other subsidiary accounts for accounting (for example, consolidated subsidiary accounts). Subsidiary ledgers reflect detailed information on operations within a General Ledger account. Subsidiary ledger data must correspond to turnover and balances on General Ledger accounts. Subsidiary ledgers are maintained primarily in individual accounts.

Individual account – an account opened by the bank within the specifications of the Account Plan. An individual account is intended for recording settlements with individuals and legal entities and reflects all financial and credit transactions with a particular client. Individual account types are as follows:

- Client accounts for recording client transactions (current accounts, deposits).
- Intra-bank accounts for recording client transactions (accounts for recording debt, delinquency, deposit interest, loan interest, requirements for clients, or other client obligations).

- Individual accounts are opened not only for enterprises and individuals, but consider the purpose of funds, for example bank funds. Intra-bank accounts for recording internal bank transactions – correspondent accounts and accounts for interbranch settlements, are individual accounts.

Consolidated accounts – subsidiary accounts on which operations are conducted consolidating individual accounts of the same type. In general, consolidated accounts are intermediate accounts between individual and General Ledger accounts (that is, in general, a consolidated account doesn't correspond to an account from the Account Plan). For example, a consolidated account for client current accounts (individuals).

WAY4 GL account – a mirror of a particular subsidiary account of the bank:

- A WAY4 GL account can be the mirror of a consolidated subsidiary account, consolidating balances and turnover on a group of WAY4 subsidiary GL accounts that belong to one section of the Account Plan. For example, a consolidated account for client current accounts (individuals).
- A WAY4 GL account can be the mirror of an individual account not requiring consolidation of data from other accounts (for example, an internal bank revenue account). The balance on the GL account will correspond to the balance on one WAY4 subsidiary GL account.

  A GL account is represented by a record in the GL_ACCOUNT table.

WAY4 subsidiary GL account – representation of a bank individual account in WAY4 (for example, client current account). This is the mirror of a bank individual account. A subsidiary GL account is opened in WAY4 within a client or bank contract. WAY4 subsidiary GL accounts are used to detail WAY4 GL accounts. A subsidiary GL account is represented by a record in the ANALYTIC_ACCOUNT table.

WAY4 contract account – a technical object for recording funds associated with a contract. A WAY4 contract account plays a specific role in ensuring Product logic (or business process logic). For example, balances on contract accounts are used to calculate interest. A contract account is opened with an assignment to one particular subsidiary GL (individual) account. Moreover, the balance on one subsidiary GL (individual) account can be divided between several contract accounts,, meaning several contract accounts can correspond to one WAY4 subsidiary GL account. A contract account is represented by a record in the ACCOUNT table.

Macrotransaction – an automatically generated system instruction to post an entry/entries to contract accounts with specification of the transaction amount, fee amount (if fees are charged), source and/or target contract accounts, as well as processing parameters. Macrotransactions are generated according to the results of processing and acceptance of financial documents, as the result of posting other macrotransactions, and as the result of executing various system processes (for example, accruing interest, generating reserves). Posting macrotransactions generates entries for WAY4 contract accounts, WAY4 subsidiary GL accounts and for WAY4 GL accounts. A macrotransaction is represented by a record in the M_TRANSACTION table.

Payment document – form of providing and registering information for all types of payment transactions (operations) made with contracts registered in WAY4. Documents are created in WAY4 as a result of receiving information from external systems (acceptance of online messages from the device network, payment systems, etc.), importing files (from payment systems, bank systems, etc.), executing internal system processes (Event processing, standing payment orders, etc.), and as a result of manual data entry. A payment document is represented in the DOC table.

Double entry – a method of accounting when each transaction must be reflected on two accounts (for debiting one account and crediting another). The fundamental principle is the maintenance of the accounting equation: Equity= Assets - Liabilities.

Journal Entry – technical record of activity on a WAY4 contract account, specifying the corresponding debited and credited subsidiary GL account and GL account numbers, the entry amount and currency. A journal entry for a contract account is represented by a record in the GL_TRACE table.

Subsidiary GL entry – accounting record of the movement of funds between WAY4 subsidiary GL accounts, specifying the debited and credited subsidiary GL account numbers, the amount and currency for debit, the amount and currency for credit, and the entry purpose. Subsidiary GL entries for one day generate the turnover on this GL account. A subsidiary GL entry is represented by a record in the GL_DOC table.

GL account entry (GL entry) – accounting record of activity on a WAY4 GL account, specifying the debited and credited GL account numbers, the amount and currency for debit, the amount and currency for credit, and the transfer purpose. GL entries for one day generate turnover on this GL account. The amount of a GL entry is composed of the amounts of subsidiary GL entries detailing the corresponding GL accounts. In WAY4, there are two ways of representing GL entries: by a record in the GL_TRANSFER table and by a record in the "Consolidated GL Entries" form (until version 03.35.30, the "Synthetic Transfers" form) consolidating the corresponding records from the GL_TRANSFER table.

FX entry – entry with different currencies (and correspondingly, amounts) for debit and credit.

GL entry closing – this procedure terminates recording operations within this GL entry. The procedure is based on posted macrotransactions and generated subsidiary GL entries and is used to prepare GL entry data for report generation and/or export to the banking system.. Until the moment of closing, the entry is open. After the closing procedure has been executed, the entry is closed.

Open GL entry – an entry in the generation stage (in which transactions are recorded).

Closed GL entry – an entry whose data is prepared for export and/or report generation. After closing a GL entry, recording of transactions within this GL entry is terminated.

WAY4 Subsidiary GL account current balance – the difference between the amount of debit and credit transactions on an account.

WAY4 subsidiary GL account opening balance for date – subsidiary GL account balance calculated at the opening of the banking day, corresponding to the given date.

WAY4 subsidiary GL account closing balance for date – subsidiary GL account balance calculated at the closing of the banking day corresponding to the given date.

WAY4 GL account current balance – balance amount on the corresponding subsidiary GL accounts. GL account balances are updated when GL entries are closed, therefore the current balance on a GL account may not correspond to the actual balances on subsidiary GL accounts.

General Ledger – main accounting document containing consolidated total information on accounts.

Balance sheet – main form of accounting report, reflecting the financial state of a credit organization for a given date, and includes information about assets (resources of the organization) and liabilities (obligations and equity of the organization). For example, in the Russian Federation, this consolidated report is generated daily for second-order accounts in the form of a T-shaped table, where one side shows assets and the other liabilities. The report's main property is that total assets are always equal to total liabilities, since in reflecting transactions on accounts, the double-entry principle is observed.

Trial balance – one of the main accounting documents. Contains balances at the beginning and end of a period and turnover on debit and credit for a period for each accounting account (in the Russian Federation, the top-level accounts in the Accounting Plan are aggregated – by first and second order accounts). The trial balance is calculated daily.

Account balance sheet – in the Russian Federation, contains balances on first and second-order accounts, individual accounts, balance and off-balance accounts. The account balance sheet is created daily.

National regulatory authority for banking activity – an entity responsible for overseeing and regulating banking activity on the territory of a specific country. This can be a governmental or independent non-governmental organization.

Chapter 2. Main Accounting Objects in WAY4

General Concept and Scheme of Interaction with the Bank System

In WAY4, accounting of bank transactions is separated into two parts:

- Accounting – maintained for generating representations of accounts and representations of activity on accounts (entries) for the General Ledger (see the section "Accounting in WAY4").
- WAY4 internal accounting (see the section "Link between Subsidiary Ledger and General Ledger Accounting in WAY4").

The WAY4 accounting system is subordinate to the bank's accounting system.

There are various schemes for configuring the WAY4 accounting system, depending on how functions for accounting for client transactions are divided between WAY4 and the bank system (CBS). The three following schemes may be highlighted:

- Scheme 1. Detailed (subsidiary ledger) accounting for client individual accounts is maintained in the CBS. Mirrors of client accounts and internal bank accounts for recording transactions are registered in WAY4. These are used for the correct correspondence of WAY4 subsidiary GL accounts with sections of the CBS Chart of Accounts. In this scheme, WAY4 is used to generate prepared subsidiary GL account entries and to export them to the CBS. All accounting records (including subsidiary GL account records) are generated in the CBS.

   In this scheme, registration in WAY4 of consolidated subsidiary CBS accounts consolidating data on individual accounts is not mandatory. Entries for consolidated accounts are not exported to the CBS. In a number of cases, second-order accounts can be registered in WAY4 as consolidated GL accounts.

- Scheme 2 Detailed (subsidiary ledger) accounting for individual accounts is maintained only in WAY4 (meaning individual client accounts and internal accounts for recording client transactions are opened and maintained only in WAY4). Consolidated subsidiary accounts for recording client transactions and accounts for recording internal bank transactions are maintained in the CBS. These accounts are mirrored in WAY4 on the GL account level. In this case, WAY4 is used to generate prepared GL entries for consolidated accounts and to export them to the CBS. WAY4 subsidiary GL entries are used for balance reconciliation on consolidated accounts. Accounting records for subsidiary accounts are generated in WAY4 (moreover, this type of recording is not available in the CBS).
- Scheme 3 – a mixed scheme, when some of the accounts are maintained in the CBS compositely (usually, these are consolidated accounts for recording client transactions, see Scheme 2), and some accounts are maintained in the

CBS in detail (for example, ATM accounts, see Scheme 1). This mixed scheme is standard (see Fig. 1, using an example of accounting in the Russian Federation).

Further in the document, the mixed scheme is examined, as it reflects possible WAY4 configurations to a greater extent.

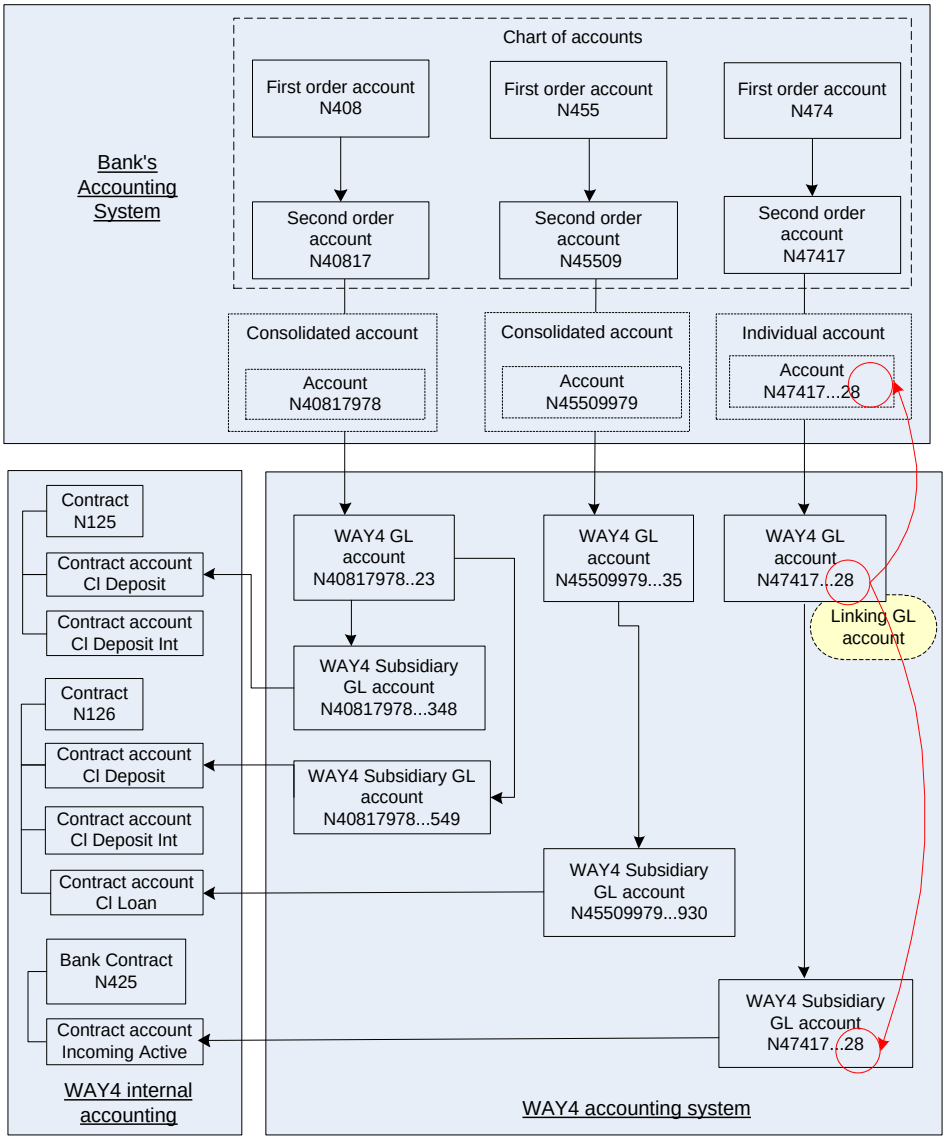

Fig. 1. Mixed scheme of interaction between the bank's accounting system and the WAY4 accounting system.

⚠ WAY4 is not a closed-loop system with respect to accounting (CBS account balances may not correspond to WAY account balances). For example, not all operations actually made on accounts registered in WAY4 are reflected in WAY4. For instance, when importing a file from a payment system, an entry is generated debiting the bank's correspondent account in the payment system (in WAY4, this is a Nostro account, for example, of the bank contract 001-VISA-Nostro, debited for issuing transactions). However, entries to credit the correspondent account may be made in the CBS and not reflected in WAY4. This should be taken into consideration when building balance reports and balance sheets in WAY4.

Accounting in WAY4

General Information

The following objects are used for accounting in WAY4:

- WAY4 GL accounts (see the section "WAY4 General Ledger Accounting").
- WAY4 subsidiary GL accounts (see the section "WAY4 Subsidiary Ledgers").

Various types of CBS subsidiary accounts are maintained in WAY4 using various accounting objects (see the section "Compatibility of CBS and WAY4 Accounting Objects").

WAY4 GL accounts and subsidiary GL accounts must comply with requirements for CBS subsidiary accounts (individual and consolidated):

- The number of a subsidiary account must be unique within the financial institution (bank or bank branch identified by a BIC; BIC is the *CB Code* field of the financial institution's form).
- The length and structure of a subsidiary account's number is determined by the national regulatory authority for banking activity (for example, in the Russian Federation, the regulatory authority is the Central Bank of the Russian Federation).

  In general, requirements for numeration of consolidated subsidiary accounts correspond to requirements for numeration of individual accounts.

  Example.

  20-character individual account numbers are used in the Russian Federation, and position in the account number has a strictly determined purpose:

  - The first 5 digits of an individual account number is the number of a second-order account (of 5 digits, the first 3 are the number of the first-order account, the final 2 digits specify the second-order account).
  - The following 3 digits (6 through 8) are the currency code.
  - The ninth digit is the key to the account. It is calculated using a standard algorithm based on all the other digits in the account and the bank identification code (BIC). This key is required to rule out errors when manually entering account numbers..
  - The next 4 digits (10 through 13) indicate the bank branch number.
  - The last 7 digits (14 through 20) are the individual account's sequential number.

  For budget accounts only: the digits from 14 through 16 reflect the budgetary accountability reference number. For revenue-expense accounts only, the digits from 14 through 18 reflect the reference number of a profit and loss statement. The individual account number for budget accounts is included in the final four digits, and for revenue-expense accounts in the final two digits.

Compatibility of CBS and WAY4 Accounting Objects

Various types of CBS subsidiary accounts are maintained in WAY4 using various accounting objects; see Fig. 2.

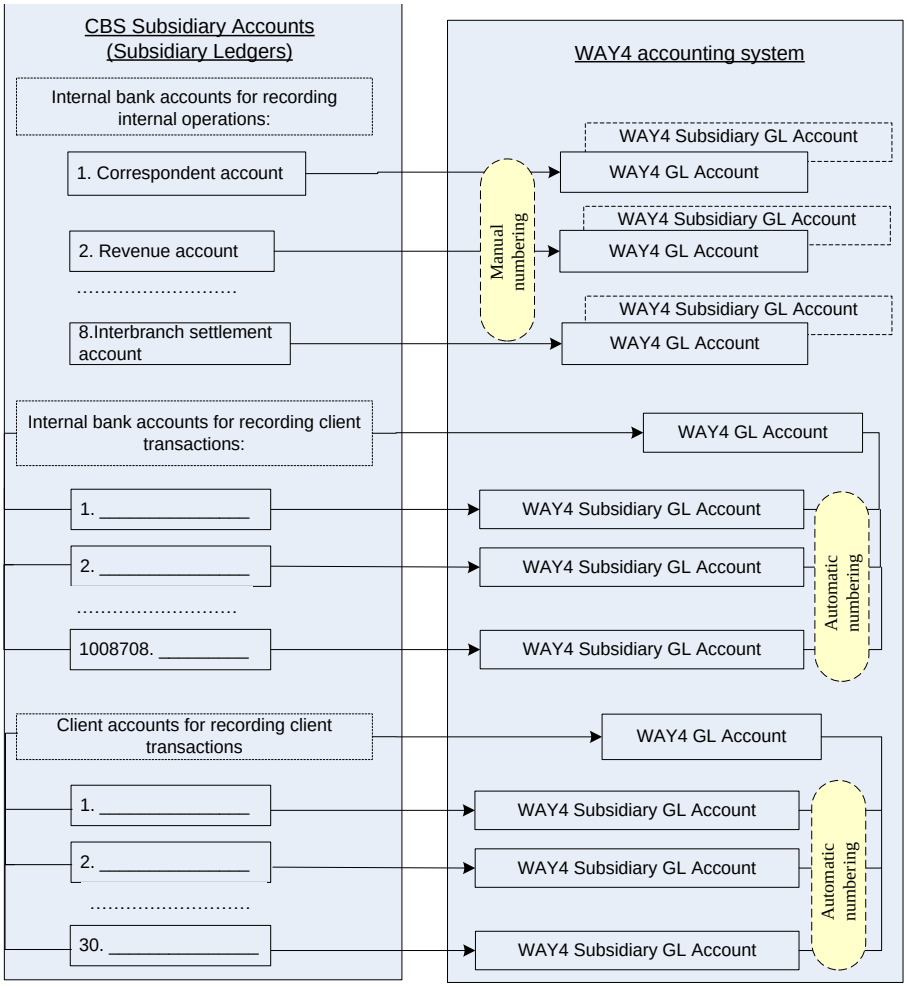

Fig. 2. Maintaining CBS subsidiary GL accounts in WAY4

WAY4 General Ledger Accounting

WAY4 General Ledger accounting is maintained in WAY4 GL accounts.

GL accounts are registered in the GL_ACCOUNT table using the "GL Account Plan" form (see the section "Registering GL Accounts in the "GL Account Plan"). GL accounts are numbered manually.

A GL account is registered within a specific financial institution, a specific section of the Chart of Accounts, in a specific currency. Accounting is maintained for the balance on the account, turnover on debit and credit of the account, total account turnover. For more information about GL account parameters, see the section "Registering GL Accounts in the "GL Account Plan".

GL entries are recorded in GL accounts (for more information, see the section "Generating Entries in WAY4").

WAY4 Subsidiary Ledgers

WAY4 Subsidiary Ledger Modes

There are two WAY4 subsidiary ledger modes:

1. Basic recording of entries for WAY4 subsidiary GL accounts, which makes it possible to export data on entries to the CBS. In this mode:
   - The user interface does not provide access to subsidiary GL account data.
   - Information about WAY4 subsidiary GL entries is only accessed when exporting entries from WAY4 to the CBS.
   - FX entries are not supported.

   In the basic mode, subsidiary GL entries are recorded in the GL_TRACE table as journal entries.
2. Expanded WAY4 subsidiary ledgers. In this mode:
   - Subsidiary GL accounts are maintained in a separate table.
   - WAY4 considers the history of changes to a subsidiary GL account number and the history of activity on subsidiary GL accounts assigned to a GL account.
   - A set of standard forms and reports is provided, which makes it possible to trace the life cycle of accounts and provides access to subsidiary GL entries for a specific date or for a specific contract.
   - Entries for subsidiary GL accounts with the same debited and credited account number, made within one document, are consolidated.
   - FX entries are supported.

The WAY4 base configuration does not include expanded subsidiary ledger accounting. This functionality is provided according to a separate agreement with the WAY4 vendor.

WAY4 Subsidiary GL Accounts

In the basic subsidiary ledger mode, a group of contract accounts with one subsidiary account number plays the role of subsidiary account.

Contract accounts are automatically generated for contracts, based on account templates (see the document "WAY4™ Accounting Schemes"). Contract accounts are maintained in the ACCOUNT table.

A contract account is characterized by an account name generated on the basis of the account template, a subsidiary GL account number, the number of the assigned GL account, as well as Product business parameters (for example, interest rate, conditions for automatic movement of funds between contract accounts in due normalization, limit normalization, standing payment orders).

Each contract account opened is assigned the number of a subsidiary GL account generated on the basis of a contract account template using a custom procedure (see the section "Creating WAY4 Subsidiary GL Accounts"). The subsidiary GL account number is assigned to the contract account (accounts) within the contract, with consideration of the following principles:

- One subsidiary GL account number can be assigned to several contract accounts within one contract (see Example 1). This means that for one contract, several records with the same subsidiary GL account number can be created in the ACCOUNT table.

  The possibility of creating several contract accounts with different business parameters and one subsidiary GL account number within one contract allows flexible configuration of Products while observing accounting regulations set by the national regulatory authority for banking activity.

  Example 1.

  For a contract, two loan accounts are created with the same subsidiary GL account number for division of a delinquent loan:

  - Cl OVD (15%) Account is used to account for a loan with delinquency of up to one month. A 15% interest rate is configured for this account.
  - Cl OVD Long (30%) Account is used to account for a loan with delinquency of more than one month. A 30% interest rate is configured for this account.

  On the WAY4 subsidiary ledger level, these two contract accounts compose one subsidiary GL account, the balance on which is equal to the sum of the balances on the given contract accounts (see Fig. 3).

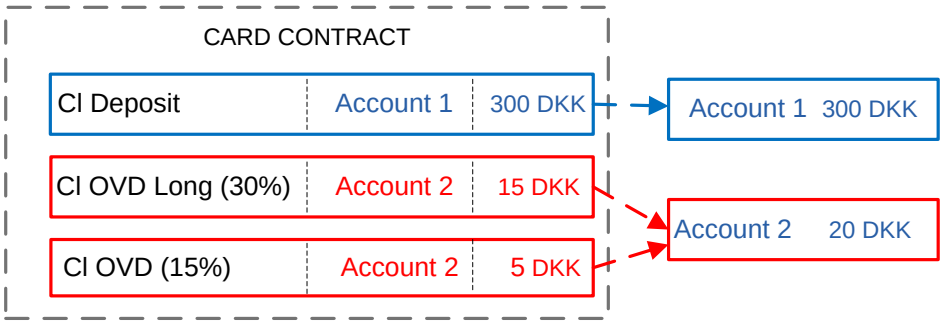

Fig. 3. Correspondence of subsidiary GL account number with contract accounts.

  The following names are used in this figure and further in the document:

  - "Cl Deposit", "Cl OVD (15%)", etc. – contract accounts.
  - "Account 1", "Account 2", etc. – subsidiary GL accounts.

- One subsidiary GL account number may not be assigned to the accounts of different contracts.

  An exception is the configuration of contracts in the "Main/Sub" contract hierarchy. In this hierarchy, subsidiary GL account numbers assigned to main contract accounts must be the same as the subsidiary GL account numbers assigned to the corresponding subordinate contract accounts. For more information, see the section "Contract Account Hierarchy".

  In the basic subsidiary ledger mode, no checking is made for duplicate subsidiary GL account numbers for different contract accounts.

  In the expanded subsidiary ledger mode, checks are made for duplicate subsidiary GL account numbers in different contracts. Moreover, exceptions

can be set, when one subsidiary GL account number is assigned to accounts belonging to different contracts. This approach is used, for example, for accounting for income from payment of penalties for all client contracts on a separate bank contract account.

In the basic subsidiary ledger mode, a subsidiary GL account's opening and closing date is not recorded. A subsidiary GL account's opening date is calculated either as the contract opening date or the date of the first activity on the account (depending on the set method of numeration – "First Approve" or "First Transfer", respectively, for more information, see the section "Creating WAY4 Subsidiary GL Accounts").

Journal entries are recorded in contract accounts. Moreover, in basic subsidiary ledger mode, subsidiary GL entries are recorded in journal entries (for more information, see the section "Generating Entries in WAY4").

Link between Subsidiary Ledger and General Ledger Accounting in WAY4

The link between subsidiary ledger and general ledger accounting in WAY4 is established by internal subsidiary ledger accounting, maintained using contract accounts.

Subsidiary ledger and General Ledger accounting are linked in the following way. Contract accounts are generated on the basis of account templates. An account template contains a GL number from the Chart of Accounts (GL account number). The generated contract account (record in the ACCOUNT table) contains data on the corresponding subsidiary GL account number and GL account number.

In expanded subsidiary ledger mode, each subsidiary entry in the ANALYTIC_ACCOUNT table contains data about the subsidiary GL account number and GL account number.

The balance amount on contract accounts generated according to account templates with the same GL number (that is, the balance amount on subsidiary GL accounts corresponding to one GL number) is always equal to the balance on the GL account with this number.

The amount of turnover for one day on contract accounts generated according to account templates with the same GL number is always equal to the turnover on the GL account with this number.

As a rule, the GL number and the number of the subsidiary GL account linked to it have the same prefix (initial digits of the number). In a number of cases, the initial digits of numbers may not correspond, that is, the number of the subsidiary GL account is generated using a custom procedure.

Contract Account Hierarchy

In WAY4, it is possible to generate a hierarchy of dependent contracts with various relation types: "Main/Sub", "Liability" ("Full Liability", "Reporting",

etc. for more information, see the section "Contract Hierarchy" of the document "Issuing Module"). Account hierarchy in the cases below is examined:

- "Main/Sub" relation type – in this hierarchy, subordinate contracts are technical contracts without their own accounts and they are usually used for authorization. For subordinate contracts, contract accounts are opened with the same subsidiary GL account numbers as those of the main contract. Furthermore:
  - Execution of external transactions causes activity on the accounts of the contract specified in the document. When a transaction is made on the accounts of a subordinate contract, the balance of both the subordinate and main contract changes.

    As a rule, transactions debiting a card are reflected on the accounts of "Main/Sub" subordinate card contracts (and higher ranking contracts in the hierarchy), while replenishment usually takes place using the top-level account contract, and is not reflected on card accounts.
  - Product business parameters (for example, due or limit normalization parameters, interest accrual parameters) cause activity on the main contract only.
  - Regardless of the contract in the hierarchy on whose accounts a transaction was made and the contracts in the hierarchy on whose accounts this transaction caused activity, for accounting purposes, this transaction will be represented by one entry.

  The "Main/Sub" hierarchy supposes mandatory use of one Account Scheme for the main and subordinate contracts.

  For more information, see the section "Contract Hierarchy" of the document "Issuing Module".
- "Liability" relation type– in this hierarchy, main and subordinate contract accounts are generated independently of one another, according to the set Accounting Schemes. Subsidiary GL account numbers are assigned to main and subordinate contract accounts independently, according to account template parameters and a custom procedure. Transactions made on subordinate accounts of this hierarchy type are not reflected on higher ranking contracts.

Generating Entries in WAY4

In WAY4, entries are posted to accounts according to the double entry rule.

Basis of Entry Generation

In WAY4, entries are generated during macrotransaction posting.

Macrotransactions are posted during Start of Day procedures. At this time, funds are transferred between contract accounts. The macrotransaction posting procedure can be started as a separate procedure several times a day (see the section "Posting of Macrotransactions" of the document "Daily Procedures").

Macrotransaction posting can be started manually for a specific document during its processing (Accept).

Macrotransactions are generated:

- As a result of processing and accepting financial documents (see the section "Original Macrotransactions" of the document "Documents").

  Example 1.

  When making a purchase transaction on a device registered in WAY4 using a bank card also registered in WAY4, during document processing a macrotransaction is generated that withdraws the transaction amount from the cardholder's account and deposits the funds to the merchant's account.

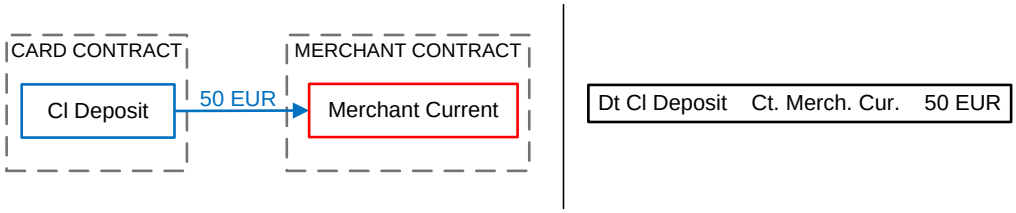

Fig. 4. Macrotransaction according to the results of processing a financial document

- As a result of executing other macrotransactions, for example, limit normalization (see the section "Secondary Macrotransactions" in the document "Documents").

  Example 2.

  When funds are deposited on a client deposit, two macrotransactions (based on Product configurations) are automatically generated, transferring funds from the deposit account to a loan account (Cl Loan account), to a loan delinquency account (Cl OVD) and to a loan account for delinquency exceeding one month (Cl OVD Long) (see Fig. 5). For more information about configuring limit normalization, see the section "Full Information about Account Scheme Templates" of the document "WAY4 Accounting Schemes".

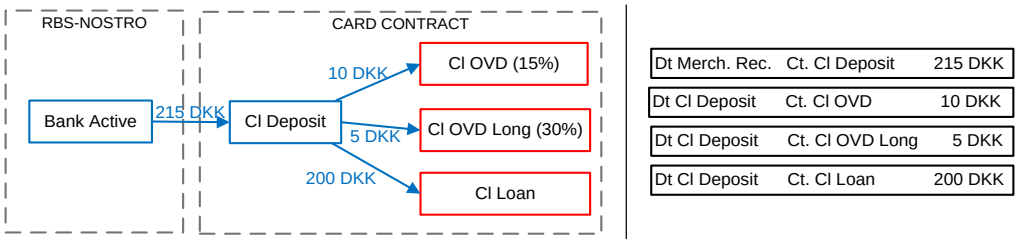

Fig. 5. Limit normalization entries

- As a result of the execution of various system processes, macrotransactions generated, for example, for interest accrual, due normalization, reserving (see the section "Single Macrotransactions" in the document "Documents").

  Example 3.

  Due normalization is configured for a loan account (Cl Loan): at the end of a billing cycle, 10% of the amount on the "Cl Loan" account becomes due to the loan payment due account (CL Paym Due). Moreover, during execution of the Start of Day procedure on the day the billing cycle ends a

macrotransaction is generated. For more information about due normalization, see the section "Full Information about Account Scheme Templates" of the document "WAY4 Accounting Schemes".

- As a result of charging transaction fees, entries on which are generated during document processing for original transactions.

  Example 4

  When a transaction is made on a client card, a macrotransaction is generated as the result of processing a financial document. The macrotransaction withdraws the transaction amount from the "Cl Deposit" client account. An order is generated to withdraw a fee for execution of the transaction, which leads to the generation of a separate entry for a fee in the same macrotransaction (see Fig. 6.).

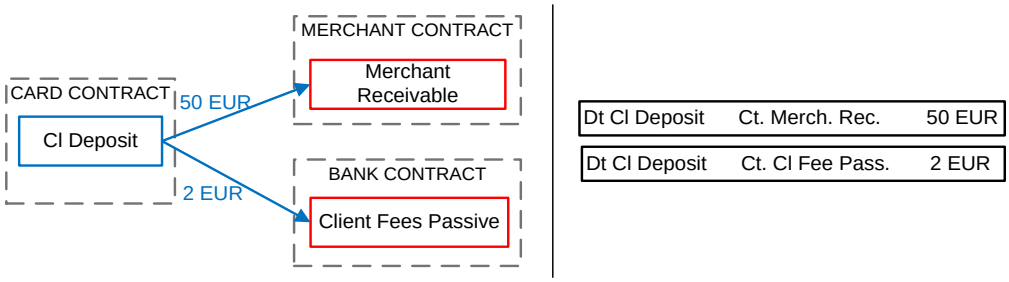

Fig. 6. Transaction fee entries

Macrotransaction processing creates entries for WAY4 accounts – GL accounts, subsidiary GL accounts and contract accounts.

Entries and their Representations

General principles of entry generation:

- Journal Entries (Internal entries for contract accounts) are generated in the GL_TRACE table.
- Subsidiary GL entries are generated in the GL_DOC table (if the expanded subsidiary ledger mode is enabled).
- GL entries are generated in the GL_TRANSFER table, based on the GL_TRACE table.

  All types of entries are generated (considered) simultaneously when processing macrotransactions (on the basis of the M_TRANSACTION table) with the "Posting" process (Daily Procedures → Start of Day Step by Step → Posting), started once or several times a day (see the section "Posting of Macrotransactions" of the document "Daily Procedures").

  The data of these tables is accessed as follows:

- For journal entries – using the "Journal Entry" form (until version 03.35.30 – through the "GL Macro" and "GL Details" forms). See the sections "Journal Entries" and "Viewing Journal Entries".
- For subsidiary GL entries – using the "Subsidiary GL Entries By Date" and "Subsidiary GL Entries by Contract" forms. Until version 03.35.30 these were

the "Analytic Transfers and "Analytic Transfers By Contract" forms. See the section "Subsidiary GL Entries"

- For GL entries – using the "GL Entries – Full Info" and "Consolidated GL Entries" forms (until version 03.35.30 these were the "GL Transfers – All" and "Synthetic Transfers forms, respectively). See the sections "GL Entries" and "Viewing GL Entries".

The global parameter TRIVIAL_GL_TRANSFER affects the procedure for generating entries (see the section "TRIVIAL_GL_TRANSFER" of the document "WAY4™ Global Parameters").

For more information about entries, see the sections "Journal Entries", "Subsidiary GL Entries" and "GL Entries".

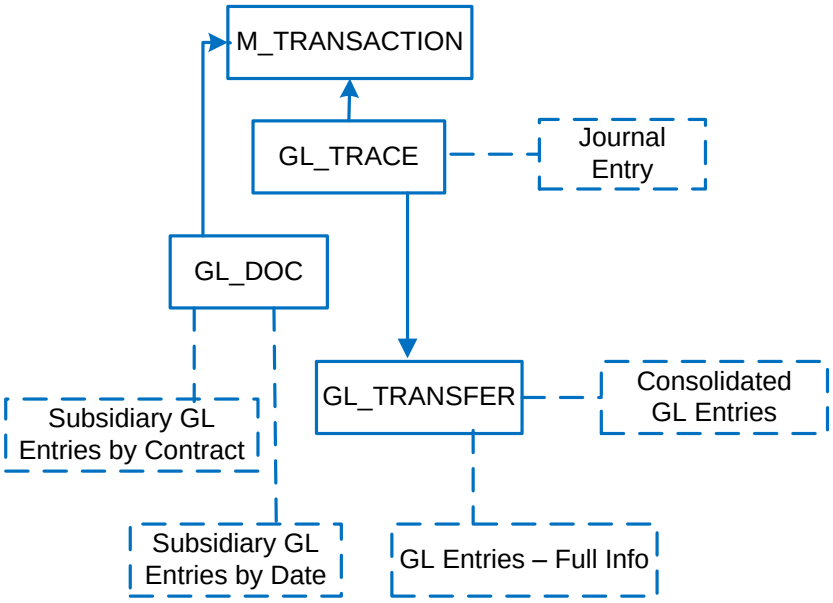

Fig. 7. General scheme of generating entries and access to entry data.

The following notation is used in this figure:

GL_DOC – database tables are indicated with a solid line.

GL Entries – Full Info – a broken line indicates forms for access to database table data.

Journal Entries

Journal entries are recorded in the GL_TRACE table.

Characteristics of generating journal entries with consideration of counterparty account currencies (when posting macrotransactions created as a result of processing financial documents):

- Movement of funds generated by a macrotransaction is reflected by one journal entry when the source contract and target contract account currencies match.

- If the source contract and target contract account currencies differ, movement of funds is reflected with several journal entries, as determined by currency conversion rules.
- Journal entries for recording currency conversion are generated with the participation of special bank FX contract accounts (NNN – FX) of the financial institution in which conversion is performed.

For more information about currency conversion, see the document "Currency Conversion".

A simple FX scheme is shown in Fig. 8.

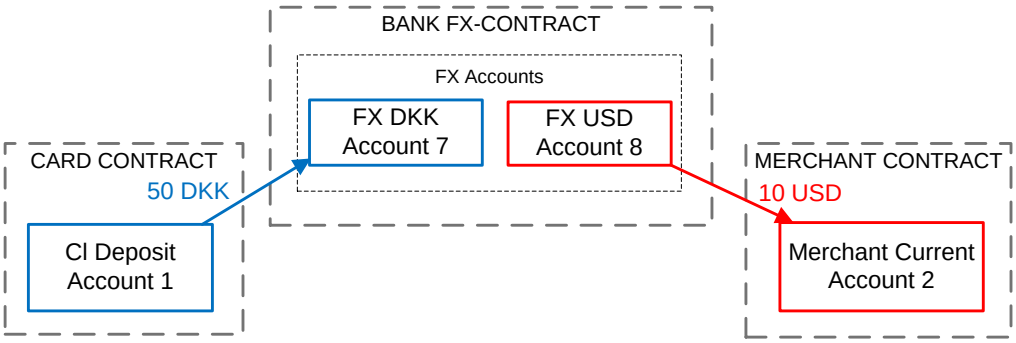

Fig. 8. FX journal entries

In the example shown in Fig. 8, according to the results of macrotransaction processing, two journal entries are generated:

1. An entry between Account 1 and Account 7 for an amount of 50 DKK.
2. An entry between Account 8 and Account 2 for an amount of 10 USD.

On the basis of the GL_TRACE table, a representation of journal entries is generated using the "Journal Entry" form (see the section "Viewing Journal Entries"):

A journal entry makes it possible to trace the link between contract accounts and WAY4 accounting accounts. A journal entry contains the name of the contract account, the numbers of debited and credited GL accounts and subsidiary GL accounts.

Journal entries are important for monitoring the configured logic of the Product's operation. They are used to understand how a balance on a contract account was created and the financial movements that created it.

Subsidiary GL Entries

Subsidiary GL entries are only generated in the expanded general ledger mode. Subsidiary GL entries are generated in the GL_DOC table.

Characteristics of generating entries in the GL_DOC table:

- A subsidiary GL entry unites journal entries of the same type. In WAY4, similar entries are considered journal entries made on one date, belonging to one document, with the same debited subsidiary GL account numbers, the same credited subsidiary GL account numbers and the same purpose.

In the majority of cases, one subsidiary GL entry corresponds to one journal entry. A subsidiary GL entry is posted for subsidiary GL accounts and contains more data than a journal entry.

Example.

When depositing funds on a client deposit (on the Cl Deposit contract account) two normalizing entries are generated for contract loan accounts – the delinquent loan account (OVD) and the account of a loan with delinquency of more than one month (Cl OVD Long). The contract loan accounts are assigned one subsidiary GL account number (Account 2). Therefore, for subsidiary GL accounts, one subsidiary GL entry will be made, see Fig. 9.

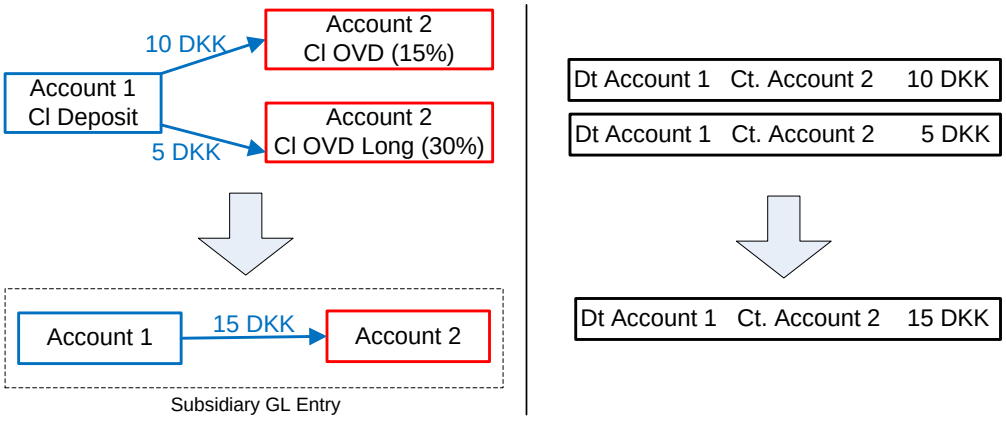

Fig. 9. Same-type journal entries united within subsidiary GL entries

- When generating entries in the GL_DOC table, FX entries are supported. FX journal entries within macrotransactions are reflected as one FX subsidiary GL entry. However, the amount and currency for debit and credit differ (see Fig. 10).

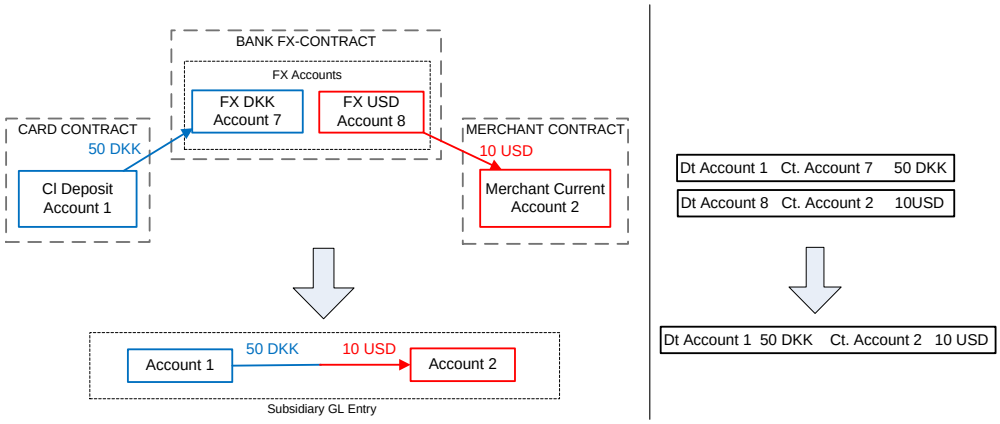

Fig. 10. Reflection of FX journal entries in a subsidiary GL entry

Subsidiary GL entries are accessed in the user interface using the following forms:

- "Subsidiary GL Entries By Date" – filtering of subsidiary GL entries by entry date (Full → General Ledger → GL Entries → Subsidiary GL Entries By Date). Until version 03.35.30, this was the "Analytic Transfers" form (Full → General Ledger → GL Transfers → Analytic Transfers).

- "Subsidiary GL Entries By Contract" – subsidiary GL entries by contract (Full → General Ledger → GL Entries → Subsidiary GL Entries By Contract). Until version 03.35.30, this was the "Analytic Transfers By Contract" form (Full → General Ledger → GL Transfers → Analytic Transfers By Contract).

In basic subsidiary ledger mode (WAY4 basic configuration), these forms for viewing subsidiary GL entries do not contain data.

In basic subsidiary ledger mode:

- Subsidiary GL entries are maintained in the GL_TRACE table within recording journal entries.
- Information on WAY4 subsidiary GL account entries is accessed when exporting entries from WAY4 to the CBS. In the user interface, information on subsidiary GL entries is only accessible in the "Journal Entry" form for viewing journal entry data (see the section "Viewing Journal Entries").
- FX entries are not supported – movement of funds generated by a macrotransaction with different counterparty account currencies is reflected by several subsidiary GL account entries (in the same way as FX journal entries). In the example given in Fig. 10, movement of funds in basic subsidiary ledger mode is reflected by two entries for subsidiary GL accounts:
  1. Entry between "Account 1" and "Account 7" for an amount of 50 DKK.
  2. Entry between "Account 8" and "Account 2" for an amount of 10 USD.

GL Entries

GL entries are recorded in the GL_TRANSFER table.

Characteristics of generating entries in the GL_TRANSFER table:

- GL entries in the GL_TRANSFER table unite subsidiary GL entries of the same type. In WAY4, same-type subsidiary GL entries are considered to be:
  - For accounts with the same debited and the same credited GL account numbers (see the section "Link between Subsidiary Ledger and General Ledger Accounting in WAY4").
  - With the same transaction type and counterparty type (with one value of the parameter *GL Trans Code* – see the section "GL Entries – Full Info" Form".
  - Made in one financial institution on one banking date.

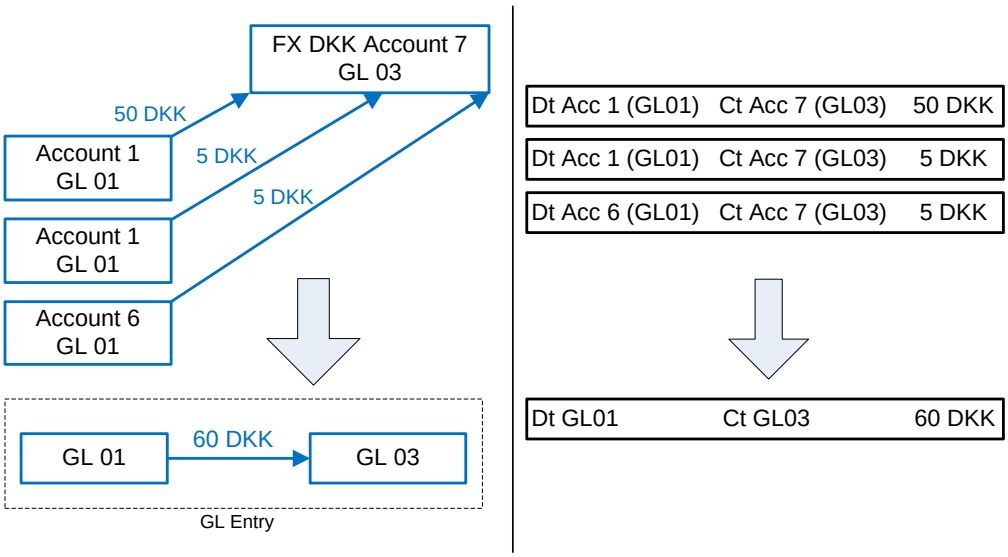

Fig. 11. Uniting same-type subsidiary GL entries in GL entries (in the GL_TRANSFER table)

In this figure and below: "GL 1", "GL 2", etc. are GL account numbers.

- A GL entry is in a state of generation over the course of the day (open entry) until the moment of closing the GL entry, inclusively.

  Before entries are closed, records from the GL_TRANSFER table are not shown in account turnover (in the GL_ITEM, GL_ACCOUNT, and ACC_TEMPL tables).

- Due to the technical particularities of parallel processing documents over the course of a day, several GL entries can be generated for the same credited and debited GL accounts, with one purpose but differing amounts (see Fig. 12).

- Several GL entries for the same credited and debited GL accounts can be generated over the course of a day if the procedure for closing GL entries is executed several times over the course of one day (for example, in manual closing of GL entries, or in the case of several exports of GL entries for one day, when the entries are closed automatically – see the section "Exporting Entries to the CBS"). After closing GL entries, when a new transaction is executed on these GL accounts on the current day, a new record is created in the GL_TRANSFER table (for more information about closing GL entries, see the section "Closing GL Entries").

- FX entries are not supported when generating entries in the GL_TRANSFER table. FX entries are reflected in various GL entries (see Fig. 12).

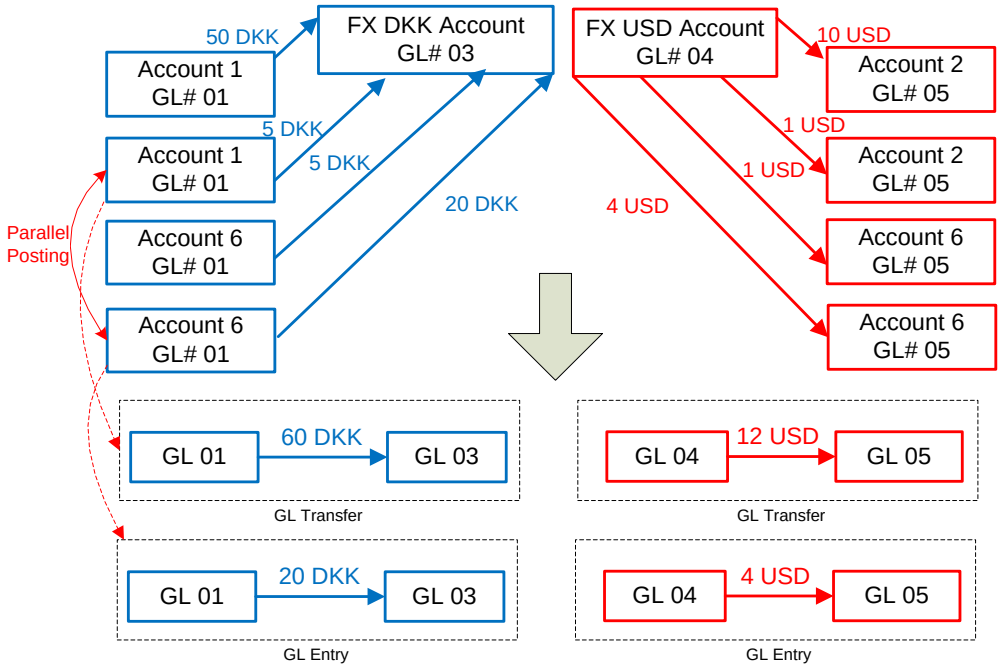

Fig. 12 Reflection of FX entries within GL entries in the GL_TRANSFER table, an example of several GL entries generated in the GL_TRANSFER table for one account and one day

Fig. 12 shows an example of parallel posting documents (see the "Parallel Posting" reference), in which two GL entries are generated for the same credited and debited GL accounts with different amounts.

- In a GL entry in the GL_TRANSFER table one amount is always reflected for which one GL account is debited and another is credited.

In WAY4, there are two ways for showing GL entries in the user interface:

- "GL Entries – Full Info" form (Full → General Ledger → GL Entries – Full Info) (until version 03.35.30, the "GL Transfer – All" form; "Full → General Ledger → GL Transfer – All") – reflects entries in full correspondence with the GL_TRANSFER table (without support of FX entries, without consolidation of entries with the same debited and credited GL account numbers made over the course of one day – see the above information on the characteristics of generating entries in the GL_TRANSFER table. For more information, see the section ""GL Entries – Full Info" Form".
- "Consolidated GL Entries" form (Full → General Ledger → GL Entries → Consolidated GL Entries) (until version 03.35.30, the "Synthetic Transfers" form; "Full → General Ledger → GL Transfers → Synthetic Transfers") – shows entries in the following way:
  - When reflecting entries in the "Consolidated GL Entries" form, FX entries are supported. FX entries for GL accounts are shown as one (moreover, the amount and currency for debit and credit differs) see Fig. 13.
  - Entries created over the course of one day from the GL_TRANSFER table for the same credited and debited GL accounts are united (see the above information on the characteristics of generating entries in the GL_TRANSFER table).

For more information, see the section ""Consolidated GL Entries" Form")".

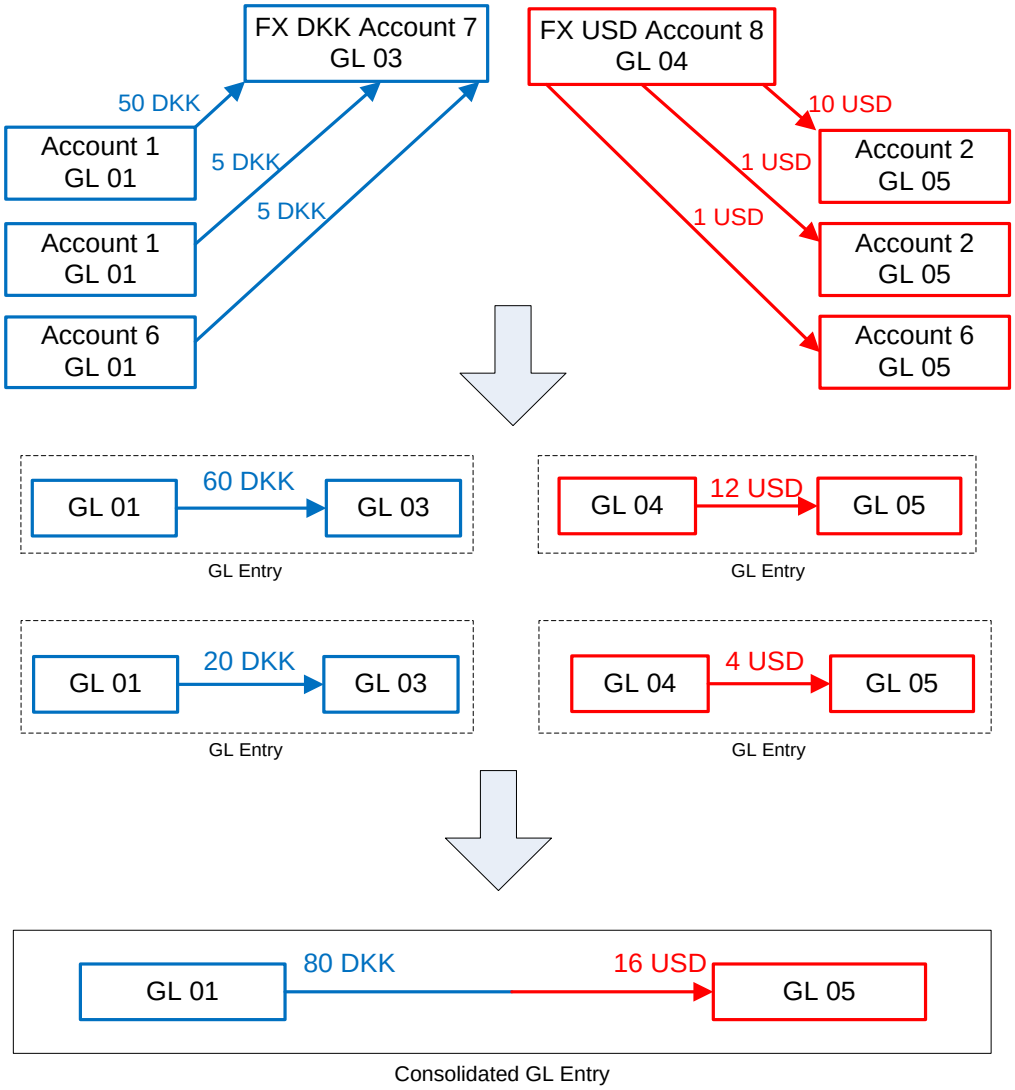

Fig. 13 General scheme for representation of entries in the "Consolidated GL Entries" form

- In the "Consolidated GL Entries" form, an entry reflects separate debit and credit amounts and the currency of the debited and credited amounts.

Dates in Entries

When registering information for payment transactions (operations) in WAY4, the following dates are considered:

- Current Banking Date – current banking date set in WAY4 in the Start of Day procedure (see the section "Setting Banking Date" of the "Daily Procedures" document").
- System Date – the system date on which the macrotransaction was generated. This date is specified in macrotransaction parameters in the *Posting DB Date* field.
- Transaction Date – calendar date of the transaction. This date corresponds to the actual date the transaction was executed (WAY4 obtains this date from

from outside sources). This date is registered in document parameters (in the DOC table) and is used to generate statements for contracts.

- Posting Date – macrotransaction posting banking date or the date the financial consequences of executing a macrotransaction come into force (this date is registered in macrotransaction parameters (Full → General Ledger → Macrotransactions – All) in the *Date* field). This is the date journal entries were made. This is a technical date that specifies selection of FX rules, rules for calculating macrotransaction fees and the beginning of the cycle for accruing interest.

  When generating macrotransactions, a future date can be specified as the Posting Date (planned posting date), or a date in the past (for a reversal macrotransaction). For more information, see the paragraph "Parameters influencing the generation of entry dates".

- Local Date (or GL Date) – the recording date of the macrotransaction (entries in a macrotransaction) on GL accounts (this date is registered in macrotransaction parameters (Full → General Ledger → Macrotransactions – All) in the *Local Date* field). This date is shown in the *GL Date* field of the "Consolidated GL Entries" and "GL Entries – Full Info" forms for viewing GL entries (see, for example, Fig. 39 in the section "Consolidated GL Entries" Form)".

  Local Date is set when posting a macrotransaction, and is equal to the current banking date. Local Date is the main date of both subsidiary GL entries and GL entries. This is reflected in export (see document "Export of GL Traces and GL Transfers in UFX Format") and in forms for viewing entries. Posting Date may differ from Local Date, and may be a past date (for example when reversing another entry).

  Dates in macrotransactions are set when they are generated and posted during the Start of Day procedure. Macrotransactions are posted (that is, funds are transferred between contract accounts) with the current or a past macrotransaction Posting Date. The macrotransaction posting procedure can be started as a separate procedure several times a day (see the section "Posting of Macrotransactions" of the document "Daily Procedures").

Parameters influencing the generation of entry dates:

- The macrotransaction posting banking date (Posting Date) depends on the document processing banking date received from an external system: if a date is specified in the *Posting Date* field of the document, transactions will be made on contract accounts using this date; if no date is specified, the current banking date will be used. The current banking date is usually used as the Posting Date.

  For a reversal macrotransaction, the macrotransaction posting date is the same as the banking date of the original macrotransaction.

- The banking date of a macrotransaction's planned posting (Posting Date) depends on the value of the *Cut Off Time* parameter, specified in a device's registration record and specifying the time until which transactions on this

device are registered with the current banking date. For more information, see the document "Acquiring Module".

- The following global parameters influence the procedure in which a macrotransaction Posting Date is determined:
  - Depending on the value of the global parameter INTEREST_DELAY – this parameter specifies the date beginning from which and the date until which interest is accrued and, respectively, the interest accrual macrotransaction posting date (Posting Date) and the date GL entries are recorded (Local Date).
  - The global parameter PAYMENT_DUE_ADVANCE – this parameter is used for daily processing of contracts and for "Value Date Due", "Payment Due", "Long Payment Due", "Sliding" and "Sliding + Clear" due normalization types specifies the macrotransaction date (Posting Date) and date of the respective GL entries (Local Date).
  - DUE_TO_WRK_DAY – this parameter influences the process of posting due normalization macrotransactions if the macrotransaction date (Posting Date) falls on a weekend or holiday.

    For more information, see the document "WAY4 Global Parameters".
- The date of posting a macrotransaction to GL accounts (Local Date) is generated depending on the macrotransaction posting date (Posting Date). In the majority of cases, these dates coincide. The local date may differ from the posting date in the following cases:
  - When correcting a financial transaction using correction or adjustment documents (see the document "Documents") or with Reversal Management module tools – for a reversal entry, the Posting Date is the same as the banking date of the original entry, but the date of recording the reversal entry on GL accounts is the same as the current banking date (the Posting Date of the reversal macrotransaction depends on the value of the global parameter PATCH_REVERSE_INTEREST, for more information, see the document "WAY4 Global Parameters").

    Example 1.

    A transaction for the amount of 1500 USD was made and processed June 4, 2011 (Posting Date=04.06.2011, Local Date=04.06.2011). On June 5 it was necessary to reverse the transaction. To do so, a reversal document for the amount of 1500 USD was created. After processing the reversal document, a macrotransaction with Posting Date=04.06.2011, Local Date=05.07.2011 was generated and posted.

    The Reversal Management module is not included in the WAY4 basic configuration and is supplied according to a separate agreement with the WAY4 vendor.
  - Depending on the value of the global parameter POST_DUE. This parameter affects the process of posting pending due normalization macrotransactions; that is, the date of posting macrotransactions to GL accounts, to contract accounts with the "End Cycle Due" and "Quarter"

normalization types when opening a new billing cycle (see the document "WAY4 Global Parameters").

- Depending on the value of the global parameter INTEREST_IN_CYCLE that determines the billing cycle in which interest accrual macrotransactions will be reflected on GL accounts and in a contract's statement of accounts.

  For more information, see the document "WAY 4 Global Parameters".

- If interbranch entries are made in time zone mode. (see the document "Time Zones").

 A separate agreement with the WAY4 vendor is required to use time zone mode.

Chapter 3. Configuring Accounting in WAY4

Registering GL Accounts

GL accounts are manually registered in WAY4 before going live. Later, in the process of operation, entries are automatically generated in WAY4 using these accounts (see the section "Configuring Rules for Specifying Correspondence of Entries").

GL accounts can be created in the following ways:

- Directly in the "GL Account Plan" form (see the section "Registering GL Accounts in the "GL Account Plan" Form").
- In account template configuration forms (see the section "Assigning GL Accounts with an Account Template"). This method has been left for compatibility with previous versions of WAY4.

  When WAY4 is integrated with the CBS for GL accounts (see Scheme 2, Scheme 3 in the section "General Concept and Scheme of Interaction with the Bank System") GL account numbers must correspond to specific accounts opened in the CBS for recording the corresponding transactions.

GL account numbers can be set using the Advanced Tariff Management module. The Advanced Tariff Management module is not included in the basic configuration of WAY and is supplied by an additional agreement with the WAY4 vendor.

Registering GL Accounts in the "GL Account Plan" Form

The "GL Account Plan" form is opened by executing the user menu item "Full → General Ledger → GL Accounts → GL Account Plan" (see Fig. 14).

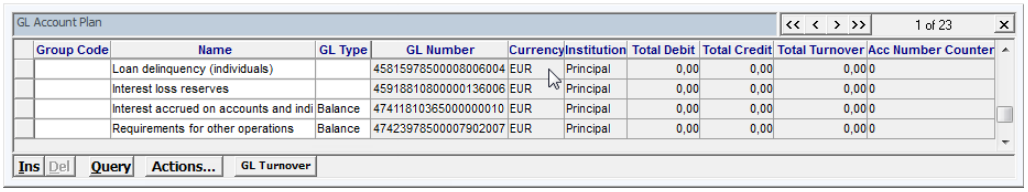

Fig. 14. "GL Account Plan" form

To create a new GL account, click the [Ins] button and fill in the fields of the new record.

The "GL Account Plan" contains the following fields:

- *Group Code* – GL account group code. This value is selected from a list generated using custom handbooks (see the section "Custom Handbooks" of the document "Form Builder"). This field is used for additional record filtering. By default, the field is empty and may be left empty.
- *Name* – GL account name. This field specifies the name of the Chart of Accounts section to which this GL account belongs. The value of this field

will be shown together with the GL account number in the *GL#* field of the account template. This field may be left empty.

- *GL Type* – accounting area to which this GL account belongs. An accounting area may correspond to an area of the bank's GL accounting (balance/off-balance) or to an additional technical accounting area (which does not belong to any area of GL accounting). Possible values:
  - "Balance" – specifies the account belongs to the balance subsystem of accounting.
  - "Off Balance" – specifies the account belongs to the off-balance subsystem of accounting.
  - "Technical" – technical accounts used to support Product logic not shown in accounting. Used, for example, to create a line of minimum payments.
  - "High precision account" – amounts can be recorded with a high level of precision (without rounding) in accounts with this indicator. For example, to record custom fees in merchant contracts. These accounts belong to the area of additional technical accounting (do not correspond to any GL accounting area).

  The field may be filled in automatically when there are account templates with this GL number and when the GL Type parameter is set in templates (see the description of the [Actions] below).

  The *GL Type* field may be left empty.

  GL account numbers in an account template's *GL#* field are filtered according to this field. If the field is not filled in, the account number can be selected for any value of the *GL Type* field in the account template (in this case, account numbers are filtered by financial institution and by the template account currency.

- *GL Number* – the full number of the GL account corresponding to the account opened in the CBS (for Schemes 2 and 3) or the number of the Chart of Accounts section (for Scheme 1).
- *Currency* – drop-down list to select the GL account currency.
- *Institution* – drop-down list of financial institutions registered in WAY4 to select the financial institution in which this GL account was opened.

  ⚠ When financial institutions whose financial transaction processing results are reflected in another financial institution's General Ledger are configured in the system (when the accounting regulations of a multi-branch bank require accounting to be maintained in the balance of the head office, see the document "Financial Institutions"), in the "GL Account Plan" form, accounts should be registered for these financial institutions with the same numbers as in the head financial institution. The balance and turnover on such an account in the CBS will be equal to the amount of balances and turnover on all GL accounts with this number in WAY4 (that is, on all financial institutions without a balance). Standard WAY4 reports cannot aggregate data (turnover) on such accounts.

- *Total Debit* – turnover on account debit transactions; this field cannot be edited.
- *Total Credit* – turnover on account credit transactions; this field cannot be edited.
- *Total Turnover* – total account turnover (on debit and credit transactions); this field cannot be edited.
- *Acc Number Counter* – number of subsidiary GL accounts to which this GL account number is assigned. This field is only filled in the expanded subsidiary ledger mode.

In the "GL Account Plan" form, the *GL Number*, *Institution*, and *Currency* fields become unavailable for editing when the first entry is made for this account.

The [Actions] button contains the following context menu commands:

- "Fill GL Type" – used to fill in the selected record's *GL Type* field.
- "Fill GL Type All" – used to fill in the *GL Type* field for all records in a list.

  When these menu items are executed, account templates are analysed in which the corresponding GL number is set. In particular, the *GL Type* field of the account template is checked if the field is filled in; this value is inherited in the *GL Type* field of the "GL Account Plan" form. If the GL account number is set in templates in which a different *GL Type* is specified, an error message is displayed.

  If *GL Type* is not set in the account template, the "Balance" value will be set in the *GL Type* field of the "GL Account Plan" form.

The [GL Turnover] button (until version 03.35.30, the [GL Item] button) of the "GL Account Plan" form is used to open the "Daily GL Turnover" form, see the section "Viewing GL Account Data".

Assigning GL Accounts with an Account Template

To ensure the correct generation of entries when processing payment documents and to ensure accounting for bank Product business logic, it is necessary to set the following correspondence between account templates in the Accounting Scheme and GL accounts registered in WAY4.

For detailed information about contract account templates, see the document "WAY4 Accounting Schemes".

The correspondence between an account template and a GL account can be configured in the following way:

- Method 1

When configuring a contract account template, the number of the GL account is specified in the *GL#* field. In general, the field value is selected from a list of GL accounts created earlier (this list corresponds to the list of accounts in the "GL Account Plan" form). If the required GL account is absent from the list, it is recommended to add it to the "GL Account Plan" form.

- Method 2

For compatibility with previous versions, the possibility has been left to enter a GL account number not registered in WAY4 directly in the GL# field of the contract account template (using the keyboard).

 It is not recommended to use this method, since one GL account number can be specified in different account templates. Manual entry of one GL account number in several account templates can lead to data entry errors, and as a result, to incorrect recording of data. It is recommended to always register GL accounts in advance in the "GL Account Plan" form.

If a GL account number is entered in the account template manually, a GL account with this number will be created the first time it is referred to; when the first contract account is created for this template according to rules for creation of contract accounts set in the account template:

- When the "Numeration Type" parameter of the account template has the "First Approval" value, a GL account will be created on first approval of the corresponding contract.
- When the "Numeration Type" parameter of the account template has the "First Transfer" value, a GL account will be created when the first entry is posted to it.

For more information, see the section "GL Properties" of the document "WAY4 Accounting Schemes".

 The procedure for generating a GL account depends on the value of the account template's *Aggregate GL For* parameter (until 03.35.30 – the *Use GL#* parameter):

- "Sub GL" (until version 03.35.30, "For Analytic") – when a contract account is created, the number of a subsidiary GL account is used as the GL account number. In this way, for each contract account (or group of contract accounts with the same subsidiary GL account number), a separate GL account is generated.
- "Consolidated GL" (until version 03.35.30 – "For Synthetic") – the GL account number will be taken from the *GL#* field; that is, contract accounts created according to this template will correspond to one GL account.
- Empty (null) – same as "Consolidated GL".

 Note that the value of the *Aggregate GL For* parameter (until version 03.35.30, the *Use GL#* parameter) parameter affects the way GL entries will be generated: when the value is "Sub GL" (until version 03.35.30, "For Analytic"), for each of the contract's subsidiary GL accounts, entries will be recorded in separate GL entries, which leads to an increase in the number of GL entries; when the value is "Consolidated GL" (until version 03.35.30, "For Synthetic"), entries for the accounts of various contracts can be recorded in one GL entry. It is not recommended to set the "Sub GL" value for the *Aggregate GL For* parameter of the account template when configuring issuing accounting. Usually, the "Sub GL" value is used when configuring accounting for acquiring operations, as well as for portfolio loan loss reserves.

Separation of Accounts in the Chart of Accounts (Asset and Liability Accounts, Unclassified Accounts)

In the Russian Federation, in an accounting Chart of Accounts, second-order balance accounts are specified as only asset accounts, only liability accounts or as unclassified accounts.

Unclassified accounts are used to monitor the timely reflection of operations that must be completed during the banking day. At the end of the day, there should be no balance on unclassified accounts.

WAY4 GL accounts are separated according to the Chart of Accounts (separation into asset, liability, and unclassified accounts) for report generation. Accounts are marked using the classifier "GL Account Classifiers". To mark GL accounts, do as follows:

- Configure GL account classifiers:
  - In the "GL Account Classifiers" form (Full → General Ledger → GL Entries → GL Entry Classification → GL Account Classifiers) (until version 03.35.30, the "Full → General Ledger → GL Transfers → GL Transfer Classification → GL Account Classifiers" menu item), create a GL account classifier according to an asset and liability account indicator (for example, "Active/Passive", see Fig. 15).

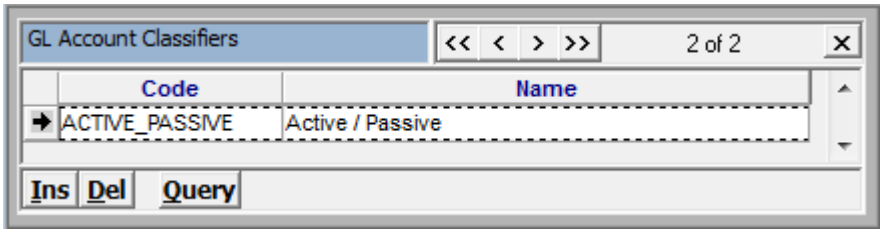

Fig. 15. "GL Account Classifiers" form

This form contains the following fields:

- *Name* – classifier name
- *Code* –classifier code

In the "GL Account Categories" form (Full → General Ledger → GL Entries → GL Entry Classification → GL Account Categories) (until version 03.35.30, the "Full → General Ledger → GL Transfers → GL Transfer Classification → GL Account Categories" menu item), set the value of the classifier for separating accounts into categories (for example, "A" – Asset; "P" – Liability, see Fig. 16).

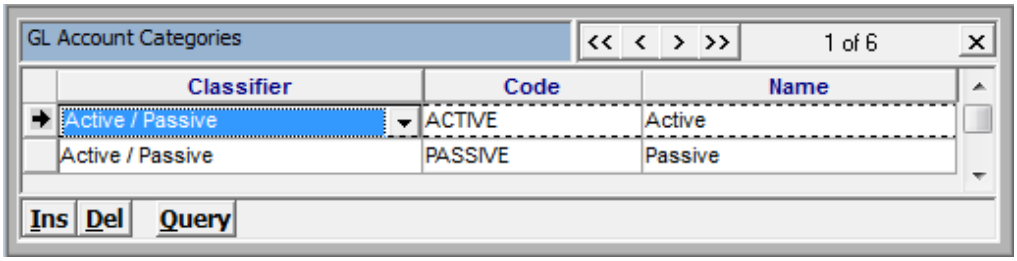

Fig. 16. "GL Account Categories" form

This form contains the following fields:

- *Classifier* – classifier name
- *Code* –classifier value code (account category code).
- *Name* – classifier value name (account category name).

- GL accounts are marked using the set classifier. This is done in the "GL Account Classification" form (Full → General Ledger → GL Entries → GL Entry Classification → GL Account Classification) (until version 03.35.30, the "Full → General Ledger → GL Transfers → GL Transfer Classification → GL Account Classification" menu item)using GL account masks, see Fig. 17.

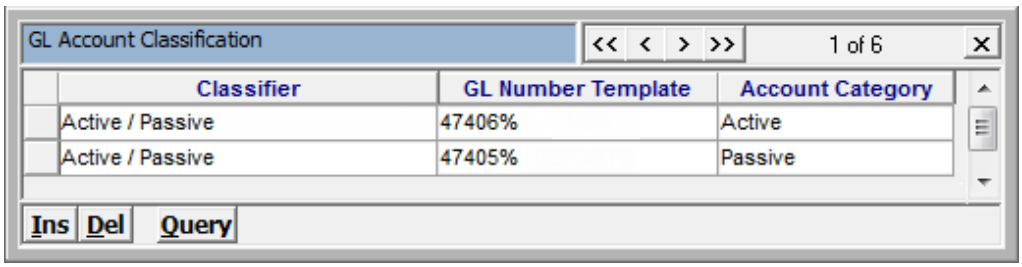

Fig. 17. "GL Account Classification" form

This form contains the following fields:

- *Classifier* – classifier name
- *GL Number Template* – GL account mask. The account number mask is set using the following reserved characters:
  - "_"(underline) – any character.
  - "%" – 0 or more of any character.
- *Account Category* – classifier value name (account category).

When creating new records in the "GL Account Classifiers", "GL Account Categories", and "GL Account Classification" forms, values with the GL_ACC_CLASSIFIER, GL_ACCOUNT_CAT and GL_ACCOUNT_MASK types, respectively are automatically generated in custom handbooks (see the section "Custom Handbooks" of the document "Form Builder").

A number of second-order asset and liability accounts create paired accounts (asset-liability account pairs). Paired individual accounts are opened in these accounts. Only one individual account from the open pair: asset or liability may have a balance. At the start of the banking day, operations begin on the individual account with the balance, and if there is no balance – on the account that corresponds to the type of operation. If at the end of the banking day a balance has arisen that is opposite to the classification of the account, meaning a debit balance on a liability account or a credit balance on an asset account, the balance will be moved to the corresponding paired individual account. A balance can be transferred from one account to another; for example, by configuring a standing payment order.

If for some reason a balance has arisen on both paired individual accounts, at the end of the banking day the lesser balance must be transferred to the account with the larger balance. That is, there may be only one balance at the end of the banking day: either debit or credit on one of the paired individual accounts.

Example.

In the Chart of Accounts, there is a second-order account 47405 "Settlements with Clients for the Purchase and Sale of Foreign Currency" with the "P" – liability – marker and a second-order account 47406 "Settlements with Clients for the Purchase and Sale of Foreign Currency" with the "A" – asset – marker.

Accounts that are unclassified are used for monitoring the timely reflection of operations that must be completed during the banking day. At the end of the banking day, there should be no balance on unclassified accounts in the daily balance.

In WAY4, asset/liability pairs are specified on the account type level (Full → Configuration Setup → Accounting Setup → Account Types) using the fields *Send Debit To* and *Send Credit To:*

- For a liability account, the corresponding asset account is specified in the *Send Debit To* field.
- For an asset account, the corresponding liability account is specified in the *Send Credit To* field.

Creating WAY4 Subsidiary GL Accounts

In the basic subsidiary ledger mode, a contract account or group of contract accounts is used as a subsidiary GL account, since contract accounts are assigned subsidiary GL account numbers (see the section "WAY4 Subsidiary Ledgers").

Contract accounts are created on the basis of contract account templates. Subsidiary GL account numbers are assigned to contract accounts when they are created or when the first entry to them is made. Rules for numbering subsidiary GL accounts are as follows:

- When the *Numeration Type* field of the account template has the "First Approval" value, a subsidiary GL account number is generated when the corresponding contract is first approved according to a custom procedure.
- When the *Numeration Type* field of the account template has the "First Transfer" value, a subsidiary GL account number is generated when the first posting is made to it according to a custom procedure.
- When the "From GL" value is set, a subsidiary GL account number is set that is equal to the value of the *GL#* field when the corresponding contract is first approved. This value is used for bank contract accounts when only one contract account (belonging to the bank contract) is generated for one account template.

  For bank contracts, accounts are always created during contract approval (regardless of the value set in the *Numeration Type* field). Therefore, subsidiary GL account numbers are always generated when bank contracts are approved.

When a contract account is created, the number of the subsidiary GL account assigned to it is specified in the *Account Number* field of the contract account form.

A subsidiary GL account number is usually generated automatically, on the basis of an account template, using the custom procedure cust_acc_number. This procedure must be analysed, and possibly adjusted together with WAY4 vendor representatives before going into commercial operation, for compliance with the subsidiary account numeration requirements of the regulatory authority for banking activity.

The length and structure of subsidiary GL account numbers is determined by the national regulatory authority for banking activity (for example, in the Russian Federation, subsidiary GL account numbers must be 20 characters).

The procedure for generating contract accounts and assigning them subsidiary GL account numbers depends on the value of the global parameter CREATE_ALL_ACCOUNTS. For more information, see the document "WAY4 Global Parameters" and the section "GL Properties" of the document "WAY4 Accounting Schemes".

Changing Account Numbers

Changing GL Account Numbers in an Account Template

If it becomes clear during the process of operation that a GL account number is specified incorrectly and activity already took place on this account, it is necessary to contact WAY4 vendor representatives to correct the account number and activity history. If renumbering of the account is planned without correcting the history of action on the account, follow the recommendations given in this section.

General procedure for changing GL account numbers:

1. Registration of a new GL account number in the "GL Account Plan" form. See the section "Registering GL Accounts in the "GL Account Plan"".
2. Transfer of the corresponding account templates to the new GL account number. GL account numbers can be changed in the following ways:
   - Specify the new GL account number in the account template form. The new number is selected in the *GL#* field from a list of created accounts (this list corresponds to the list of accounts in the "GL Account Plan" form).

     The possibility to create GL accounts by entering a new number in the *GL#* field of a contract account template has been left to ensure compatibility with earlier versions of WAY4. It is recommended to select GL accounts from the list in the *GL#* field.
   - Specify the new GL account number in the "GL Account Numbering" handbook (Full → General Ledger → GL Accounts → GL Account Numbering) (until version 03.35.30, the "GL Account Numeration" form; "Full → General Ledger → GL Accounts → GL Account Numeration").

     In this form, the entire list of contract account templates for all Account Schemes of all financial institutions with their assigned GL account

numbers is shown (see Fig. 18). The GL account number for a specific account template can be changed in the *GL Number* field.

To change one GL account number set for several account templates (see Fig. 18), the following batch renumbering can be used:

- Select template records with the same GL account number to be changed (using the [Query] button).
- In the *GL Number* field of the topmost record in the list, specify the new GL number.
- Execute the system menu command "Special =>Change Downwards".

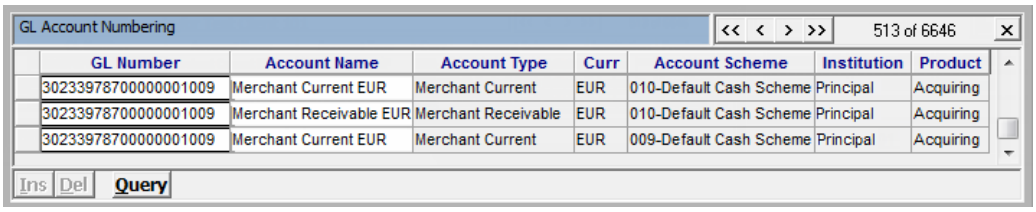

Fig. 18. "GL Account Numbering" handbook (until version 03.35.30, the "GL Account Numeration" form)

- The Advanced Tariff Management module can be used to change a GL account number. The Advanced Tariff Management module is not included in the WAY4 base configuration and is supplied by separate agreement with the WAY4 vendor.

  When a contract's Product is changed, if the new Product has new settings, differing from the old ones, for a Product tariff domain containing tariffs with the "GL Numeration" role, GL account numbers are automatically changed.

3. Account Scheme Approval.

   When changing a GL account number for a particular account template, the status of the corresponding Account Scheme becomes "Not Ready". In order for the Account Scheme to work, approve it in the "Account Schemes" form (Full → Configuration Setup → Products → Account Schemes) or execute the procedure "Renew All For Institution" (Full → Configuration Setup → Main Tables → Renew All For Institution).

   In default settings, when the GL account number for an account template is changed, the numbers of the subsidiary GL accounts corresponding to it also change when the Account Scheme is approved (the procedure cust_acc_number is automatically called). In a number of cases, the renumbering procedure called during Account Scheme approval is disabled according to bank requirements. In this case, the renumbering procedure is called in the standard way when the "Apply Account Scheme Changes" or "Contracts Daily Update" procedures are executed, see the next step. Respectively, the numbers of the corresponding subsidiary GL accounts are changed in the steps "Apply Account Scheme Changes" or "Contracts Daily Update".

4. Changes are applied to contracts using the separate procedure "Apply Account Scheme Changes" (Full → Configuration Setup → Products →

Apply Account Scheme Changes) or during execution of the "Contracts Daily Update" procedure (Full → Daily Procedures → Start of Day Step by Step → Contracts – Daily Update). For more information, see the section "Contracts Daily Update Procedure" of the document "Daily Procedures".

⚠ When applying changes to contracts, a macrotransaction is generated, transferring the balance on the given account from the old GL account to a new account broken down by each contract account. These journal entries are combined in one entry to the corresponding GL accounts (see Fig. 19).

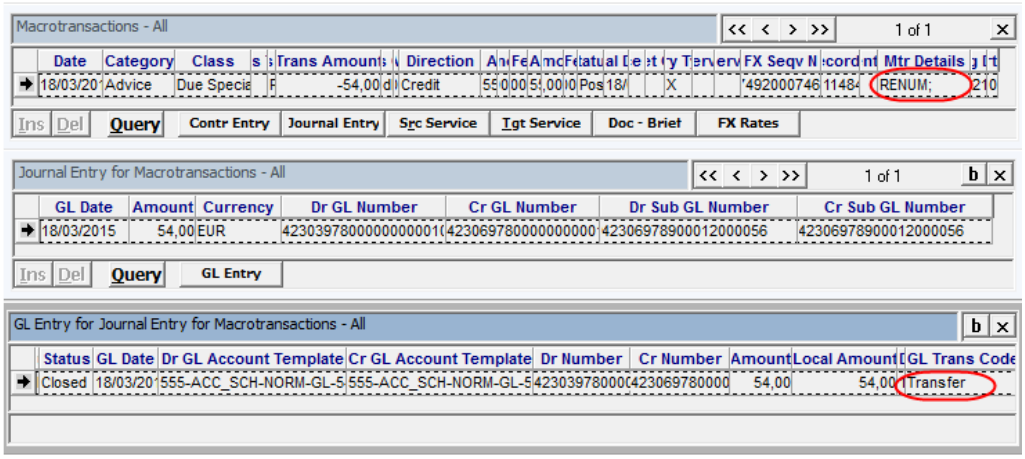

Fig. 19. Macrotransaction for transferring funds to a new GL account number

A distinguishing feature of the macrotransaction to transfer funds from an old GL account number to a new number is the RENUM; tag (see Fig. 19).

The "Journal Entry" form opened by clicking the [Journal Entry] button corresponds to the "GL Details" form ([GL Details] button) that was in use until version 03.35.30 (for more information, see the section "Viewing Journal Entries").

In the *Gl Trans Code* field of a GL entry to transfer funds from an old GL account number to a new number, the "Transfer" value is specified (see Fig. 19), this value is used as the entry purpose (for example, for this entry the "Transfer" value will be reflected in the *Entry Description* field of the "Consolidated GL Entries" form), see the ""Consolidated GL Entries" Form" section.

⚠ It is not permitted to change a GL account number in an existing record of the "GL Account Plan" form. In this case, an entry transferring the balance will not be generated, leading to a discrepancy in accounting balances.

Changing Subsidiary GL Account Numbers

Subsidiary GL account numbers can be changed in the following ways:

- A subsidiary GL account number can be changed for a contract account using the procedure "Renumber Subsidiary GL Account". For more information, see the section ""Renumber Subsidiary GL Account" Procedure (until version 03.35.30, the procedure "Renumber Analytic Account")"". The GL account number assigned to the subsidiary GL account does not change.

- A subsidiary GL account number changes when the contract is transferred to another Accounting Scheme, if the GL account number changes in doing so.
- A subsidiary GL account number changes when the GL account number changes in the account template. The numbers of the corresponding subsidiary GL accounts assigned to contract accounts created according to this template also change.

When an Account Scheme is changed, the changes are applied to subsidiary GL account numbers when the Account Scheme is approved.

When a GL account number changes in an account template, these changes are applied to subsidiary GL account numbers during execution of a separate procedure "Apply Account Scheme Changes" (Full → Configuration Setup → Products → Apply Account Scheme Changes) or during execution of the "Contracts Daily Update" procedure (Full → Daily Procedures → Start of Day Step by Step → Contracts – Daily Update). For more information, see the section "Contracts Daily Update Procedure" of the document "Daily Procedures".

The global parameter SAVE_ACCOUNT_NUMBER makes it possible to specify the procedure for renumbering subsidiary GL accounts when an account's GL number changes:

- If the value is "N" (default value), when the GL number of an account is changed, the subsidiary GL accounts numbers corresponding to this GL number are changed.
- If the value is "Y", subsidiary GL accounts are not renumbered.

"Renumber Subsidiary GL Account" Procedure (until version 03.35.30, the procedure "Renumber Analytic Account")

A subsidiary GL account number for a contract account can be changed in the "Renumber Subsidiary GL Accounts" form (Full → DB Administrator Utilities → Special Contract Utilities → Renumber Subsidiary GL Account), see Fig. 20. Until version 03.35.30, this was the "Renumber Analytic Accounts" form (Full → DB Administrator Utilities → Special Contract Utilities → Renumber Analytic Account).

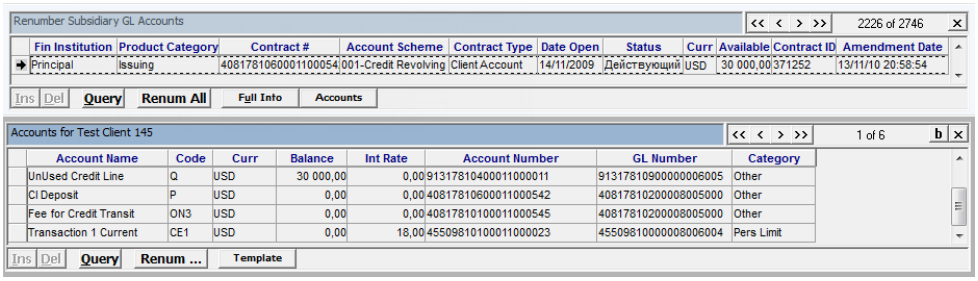

Fig. 20. "Renumber Subsidiary GL Account" form

The [Renum All] button is used to apply to all accounts of the contract selected in the "Renumber Subsidiary GL Account" form numeration rules according to a custom procedure and account template parameters. Contract accounts are shown in the "Accounts…" form opened by clicking the [Accounts] button.

In the "Accounts for…" form:

- The [Renum…] → [Renum By Default] button works in the same way as the [Renum All] button, but applies numeration rules to a specific contract account according to a custom procedure and account template parameters.
- The [Renum…] → [Set New Account Number] button is used to manually specify the subsidiary GL account number for a selected contract account. Clicking this button opens a form where the account number should be entered and the [Proceed] button clicked (see Fig. 21).

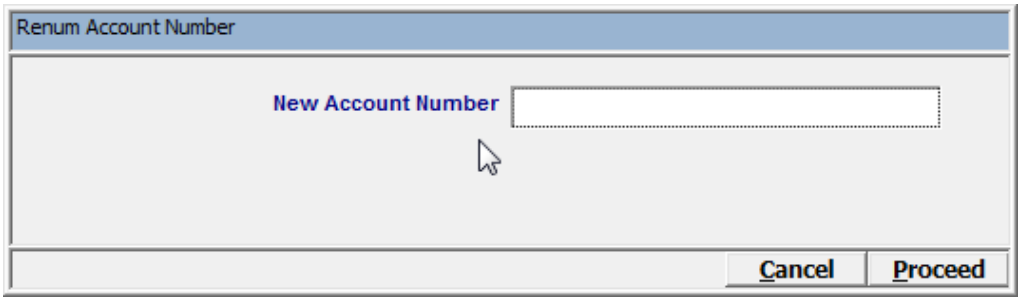

Fig. 21. Form for entering a subsidiary GL account number

Configuring Rules for Specifying Correspondence of Entries

Entries in WAY4 are generated automatically according to set rules for determining the correspondence of entries (debited and credited accounts):

- Source contract and target contract default account types are set on the transaction subtype level "Full → Configuration Setup → Transaction Types → Transaction – ALL → [Sub Types]". The direction of a transaction is set in transaction type parameters in the *DR/CR* field of the "Transaction – ALL" form. For more information, see the section "Transaction Types and their Parameters" of the document "Documents".
- When processing documents, a Service is used to determine the correspondence of accounts:
  - The Service's *Account Type* field specifies the type of account from which or to which funds will be transferred. For more information, see the section "Full Information about a Service" of the document "WAY4™ Service Packages".
  - The Service Package's *Default Fee Acc* field specifies the default account for recording transaction fees for this package's Services. A specific revenue account can be redefined in a separate Service in the *Fee Account* field. For more information, see the section "Additional Parameters of Service Packages" of the document "WAY4™ Service Packages".
- When generating limit normalization entries (for account balances), the correspondence of accounts is determined using the Accounting Scheme template parameters *Lower Norm*, *Upper Norm*, *Supplementary Credit Acc* and *Supplementary Debit Acc*. For more information, see the section "Full Information about Accounting Scheme Templates" in the document "WAY4™ Accounting Schemes".
- When generating due normalization entries, the correspondence of accounts is determined using the *Due Template* and *Alter Due Template* parameters of

the Accounting Scheme template. For more information, see the section "Full Information about Accounting Scheme Templates" of the document "WAY4™ Accounting Schemes".

- In interest accrual, the correspondence of accounts is determined using the parameters *Interest Template, Interest Fee Account, Interest Accrual Account,* and *Interest Exp/Rev Account* of the Accounting Scheme template. For more information, see the section "Full Information about Accounting Scheme Templates" of the document "WAY4™ Accounting Schemes".
- When transferring funds to off-balance accounts or returning accounting from an off-balance to a balance account, correspondence of accounts is determined using the *Off-balance XF Account* or *Template details* fields of the Accounting Scheme template. For more information, see the section "Full Information about Accounting Scheme Templates" of the document "WAY4™ Accounting Schemes".
- When accruing loan reserves, the correspondence of accounts is determined by the *Debit Account* and *Credit Account* parameters of the reserve scheme. For more information, see the section "Reserve Schemes" of the document "Loan Loss Reserves".
- When generating standing payment order documents, the corresponding account is determined using the Service or a group of fields in the standing payment order's configuration form (*Order Type, Source Account, Target Template and others*). For more information, see the section "Parameters of General/Template Standing Payment Orders" of the document "Standing Payment Orders".
- When using Interchange routing contracts during document processing, the correspondence of accounts is determined by routing configurations. For more information, see the document "Interchange Routing".
- When generating interbranch entries, the correspondence of accounts is determined by routing configurations and Service parameters. For more information, see the section "Interbranch Transactions" of the document "Financial Institutions".
- When converting currency, the correspondence of accounts is determined by FX scheme configurations and conversion rules (for example, the global parameter CHANGE_CURRENCY). For more information, see the document "Currency Conversion".
- When collecting from an ATM, accounts to reflect loaded/issued amounts must be specified in the form "Full → Configuration Setup → Merchant Device Setup → ATM Types". For more information, see the section "ATM Types" of the document "ATM Controller".

Configuring Entry Descriptions

General Principles

Entry descriptions are configured in the "Message Dictionary" system dictionary. When generating an entry, an entry code is generated according to

which a description is further specified according to the "Message Dictionary". An entry description may be determined according to debited and credited account numbers.

Entry descriptions are used when generating accounting statements of accounts, General Ledger reports and when exporting files with entries; an entry description is also shown in the *Entry Description* field of the "Consolidated GL Entries" form (until version 03.35.30 the *Transfer Description* field of the "Synthetic Transfers" form).

In the WAY4 subsidiary ledger accounting basic mode, subsidiary GL entry descriptions are used only when exporting UFX files with entries (see the section "Exporting Entries to the CBS").

Methods of Generating Entry Descriptions

Entry descriptions are generated in the "Message Dictionary" system dictionary.

There are two ways of generating entry descriptions:

- Method 1 (default). The procedure for generating entry descriptions depends on the transaction type:
  - For entries generated when processing documents, entry descriptions are generated according to transaction types and counterparty contract types. For example, "ATM: Visa Acq → Our Visa Card".
  - For entries generated on the basis of single or secondary macrotransactions (without a document), entry descriptions are generated according to "Service Class" transaction type classifiers and contract account types. For example, "Upper Norm: Cl. Loan → Cl Deposit", or "Interests: Cl Loan → Loan Revenue".
- Method 2 is used to generate entry descriptions according to correspondence of GL accounts (depending on debited and credited GL account numbers).

These two configuration methods can be used together. In doing so, entry description settings depending on the correspondence of GL accounts have a higher priority than entry descriptions by transaction types.

Scheme for Determining Entry Descriptions

A search is made for an entry description in the "Message Dictionary" when generating accounting statements of accounts, General Ledger reports and when exporting files with entries:

- First, a search is made for an entry description by correspondence of accounts; GL account numbers to which the entry is posted are analyzed:
  - If a GL entry description by correspondence of accounts is configured for these numbers in the "Message Dictionary", this description is used. If a separate description was not generated for the corresponding entry (entries) posted to subsidiary GL accounts, the GL entry description will be used.
  - If no entry description by correspondence of accounts was configured for these numbers, a search for the description by entry code is made in the "Message Dictionary" (see the next step).

- If a search by correspondence of accounts gave no results, a search is made for the entry description by entry code (for more information, see the section "Entry Codes"):
  - If a GL entry description by correspondence of accounts was generated for this code in the "Message Dictionary", this description is used.
  - If a separate description was not generated for the subsidiary GL account entry (entries), the GL entry description will be used.

  Configurations of entry descriptions depending on GL account correspondence have a higher priority than entry descriptions according to transaction types (default descriptions).

  For a entry description record found in the "Message Dictionary", the "Translation" form in which translations are set for the payment purpose is analyzed. If for the current WAY4 user's language (for more information, see the section "Initialising Local Constants" of the document "DB Manager User Management") a translation of the entry description is set in the "Translation" form, this value will be used. If no translation is set (or if the current user's language is not set), the value of the *Message Label* field of the main record of the entry description in the "Message Dictionary" will be used.

Entry Codes

Entry codes are calculated when entries are generated, and when a general list of entry descriptions is generated in the "Message Dictionary". Entry codes are shown in the *GL Trans Code* field of the "GL Entries – Full info" form (until version 03.35.30, this was the "GL Transfer – All" form). The *Message Label* field of the "Message Dictionary" contains entry code values.

Entry codes are used to determine entry descriptions using the "Message Dictionary". To do so, the value of the entry code in the *GL Trans Code* field of the "GL Entries – Full info" form (see the section ""GL Entries – Full Info" Form") is matched with the value of the *Message Label* field of the "Message Dictionary".

Entry codes contain the following information:

- For entries generated as a result of document processing, this code contains the transaction type code, and the source and target contract type codes.
- For entries generated without documents (resulting from other entries or the execution of various system processes) the code contains the transaction type code for the "Service Class" classifier, debited and credited account type codes.

Entry codes are generated in one of the following formats:

- <AA><BB><CC>(F), where:
  - <AA> – transaction type *RBS Code/RBS Reversal Code* value (see the section "Main Parameters of Transactions" of the document "Documents").
  - <BB> – source contract *RBS Code value* (CBS Code, specified on the source contract type level).

  - <CC> – target contract *RBS Code* value (CBS Code, specified on the target contract type level).
  - "F" – a character that may be present in the last (seventh) position of the code, to specify that this transaction is a fee.
- <A><B><C>, where:
  - <A> – a Latin letter (A, D, d, I, L, l, R, r, U, u), indicating the transaction type according to the "Service Class" classifier.
  - <B> – a character to indicate the account from which funds are transferred; this character is the value of the *Code* field from the "Account Types" grid form (Full → Configuration Setup → Accounting Setup → Account Types) for the corresponding account type.
  - <C>– a character to indicate the account to which funds are transferred; this character is the value of the *Code* field from the "Account Types" grid form (Full → Configuration Setup → Accounting Setup → Account Types) for the corresponding account type. This character may not be present (for example, for interest accrual entries). For normalization entries the code is generated depending on the global parameter SPC_NORM_CODES (see the document "WAY4 Global Parameters").


The global parameter FULL_TRANS_CODES affects the procedure for generating entry codes. By default, each of the three parts of the code is cut to two characters (when the value is "N"). When the value is "Y" the FULL_TRANS_CODES parameter makes it possible to generate entry codes where each of the three parts is longer than two characters. For more information, see the document "WAY4 Global Parameters".


Entry codes can be generated according to custom rules. The CUST_TRANS_CODE custom procedure is used to do so. Using this procedure, it is possible to set up generation of entry codes for the transaction base amount, base fee, custom fee, and Markup fee (see the description of the Entry Role field in the section "Viewing Journal Entries").
Entry codes generated by the procedure are specified in the M_TRANSACTION (the entry code corresponding to the transaction base amount is specified in the trans_code field) and GL_TRANSFER (gl_trans_code field) tables. For an entry code to be shown in the ENTRY table (trans_code field), set the value of the SYNC_ENTRY_GL_TRANS_CODE global parameter to "Y".

Entry Descriptions According to Transaction Types

General rules for setting entry descriptions according to transaction types (see Method 1):

- A list of default descriptions for GL entries in the "Message Dictionary" system dictionary is automatically created when the special procedure "Generate Transaction Dictionary" is executed.
- Subsidiary GL entry descriptions are created manually in the "Message Dictionary" system dictionary.

The "Message Dictionary" system dictionary is opened by executing the user menu item "Full → Configuration Setup → Main Tables → Message Dictionary", see Fig. 22.

WAY4 is supplied with a pre-generated list of GL entry descriptions in the "Message Dictionary". When new transaction types and contract types are registered in the system, the "Message Dictionary" should be updated. To update the "Message Dictionary", use the menu item "Full → Configuration Setup → Transaction Types → Generate Transaction Dictionary". For more information, see the section "Message Dictionary" of the document "WAY4 Dictionaries".

The "Message Dictionary" is used to record entry descriptions according to transaction types:

- A special section (segment) in the "Message Dictionary" is used to view GL entry descriptions according to transaction types. To search for the required segment, use the following filtering criteria: Object Type = "Transaction" and Object Name = "GL Transaction" (see Fig. 22).

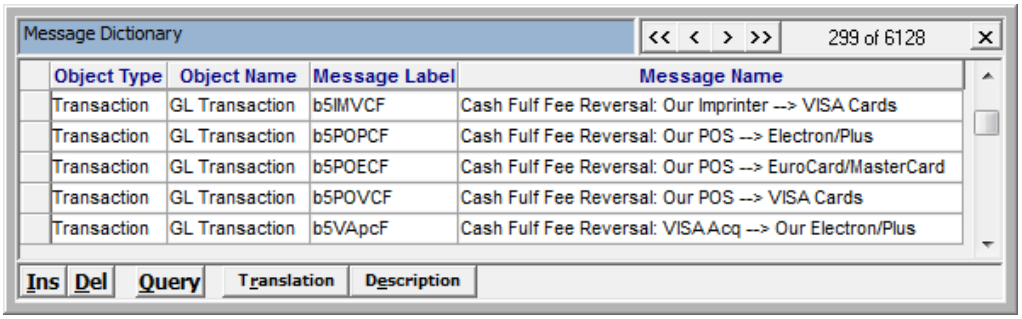

Fig. 22. "Message Dictionary" form

GL entry descriptions in the "Message Dictionary" are generated:

- According to transaction types (Full → Configuration Setup → Transaction Types) and contract types (Full → Configuration Setup → Contract Types) registered in the system:
  - The *Message Label* field of the "Message Dictionary" shows the entry code containing the transaction type code, and source and target contract type codes (see the section "Entry Codes").
  - The *Message Name* field shows entry descriptions generated in the following format: <Transaction type name>:<source contract type name> → <target contract type name>.
- According to "Service Class" transaction type classifier values and contract account types (Full → Configuration Setup → Accounting Setup → Account Types) registered in the system:
  - The *Message Label* field shows the entry code containing the transaction type code for the "Service Class" classifier, and contract account type codes (see the section "Entry Codes").
  - The *Message Name* field shows entry descriptions generated in the following format: <transaction type name for "Service Class" classifier>:<source role account type name > → <target contract account type name>.

A record in the "Message Dictionary" can be matched with a translation of the payment purpose (the [Translations] button). For more information about generating translations, see the section "Message Dictionary" in the document "WAY4™ Dictionaries".

- A special section (segment) in the "Message Dictionary" is used to view and configure subsidiary GL entry descriptions according to transaction type. To filter these records, use the following filtering criteria: Object Type = "Transaction" Object Name = "Analytic Transaction".

  If a separate description was not generated for a subsidiary GL entry, the description of the corresponding GL entry will be used. A description of a subsidiary GL entry differing from a GL entry is generated to provide detailed information about the entry. For example, a GL entry description may be "ATM cash dispensing", and the subsidiary GL description "ATM cash dispensing by card %DR_CONTRACT_NUMBER%". Detail is obtained by using description templates (special variables), see the description below.

  If it is necessary to set a subsidiary GL entry description that differs from a GL entry, the new record should be added to the "Message Dictionary" (using the [Ins]) button), specify the "Transaction" value in the *Object Type* field, the value "Analytic Transaction" in the *Object Name* field, fill in the *Message Label* and *Message Name* fields, if necessary, set a translation of the entry description.

  To optimize the process of creating subsidiary GL entry descriptions, an existing entry record in the dictionary can be copied using the system menu item "Special => Copy With Children". The fields should then be corrected, and if necessary, a translation of the description set.

  When configuring subsidiary GL entry descriptions, it is possible to use variables belonging to the CONTRACT (contract data), CLIENT (client data) and DOC (transaction data) tables, that are replaced by the values from the database table fields when a description is generated (for more information, see the section "Use of Variables" of the document "Configuration of Client Messages"). To use CONTRACT and CLIENT table fields, the prefix DR_ or CR_ must be added to the variables (for debit or credit transactions, respectively).

  Examples of subsidiary GL entry descriptions:

  "ATM cash dispensing by card %DR_CONTRACT_NUMBER% ФИО %DR_CLIENT_LAST_NAME% %DR_CLIENT_FIRST_NAME% %DR_CLIENT_FATHER_S_NAME% Opening date %DR_CONTRACT_DATE_OPEN%"

  For more detailed information about the "Message Dictionary", see the section "Message Dictionary" of the document "WAY4™ Dictionaries".

If a transaction type for which records were already created in the "Message Dictionary" changes (for example when the transaction type's *RBS Code* or *RBS Rev Code* fields change) or is deleted, delete the corresponding records in the "Message Dictionary" so that the transaction will be shown correctly in WAY4. One of the following menu items can be used to do so:

- "Full → Configuration Setup → Main Tables → GL Transaction Message Dictionary Synchronize"
- "Full → Configuration Setup → Transaction Types → GL Transaction Message Dictionary Synchronize"

These menu items open the "Confirm - Delete" form. Select a record in the form's *Delete Records* field (see Fig. 23):

- "No" – records are only check but incorrect records are not deleted. The check's results can be viewed in the process log.
- "Yes" – records are checked, and incorrect records are deleted. The results of the process can be viewed in the process log.

  During the check, a search is made for the corresponding record in the list of transaction types (by the *RBS Code* or *RBSRev Code* field). If no record in the list of transaction types was found for the record from the "Message Dictionary" and "deletion mode" is used, the record in the "Message Dictionary" gets the value "C" in the AMND_STATE field and the "deletion" date is specified in the AMND_DATE field.

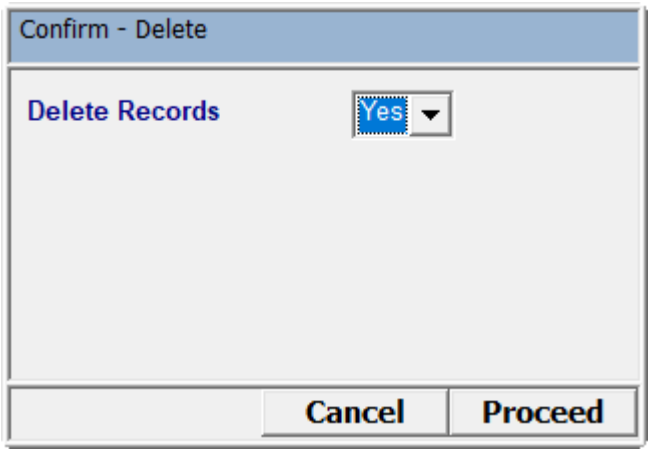

Fig. 23. "Confirm - Delete" form

Entry Descriptions Depending on GL Account Correspondence

General rules for configuring entry descriptions according to the correspondence of GL accounts (see Method 2):

- Subsidiary GL entry descriptions and GL entry descriptions according to account correspondence are created manually.
- Preliminary configuration of account masks in the form "GL Account Masks for GL Entries Description" is required for the configuration of entry descriptions according to the correspondence of GL accounts. For more information, see the section "Configuring GL Account Masks".
- It is recommended to configure entry description according to GL account correspondence in the special forms "GL Entries Descriptions" and "Subsidiary GL Entries Descriptions". The entry descriptions configured in these forms are shown in "Message Dictionary" list of forms. For more information, see the section "Configuring Entry Descriptions".

Configuring GL Account Masks

GL account masks are set in the form "GL Account Masks for GL Entries Description" (Full → General Ledger → GL Entries → Entry Description → GL Account Masks for GL Entries Description) – see Fig. 24. Until version 03.35.30, the "GL Account Masks for Transfer Description" form (Full → General Ledger → GL Transfers → Transfer Description → GL Account Masks for Transfer Description).

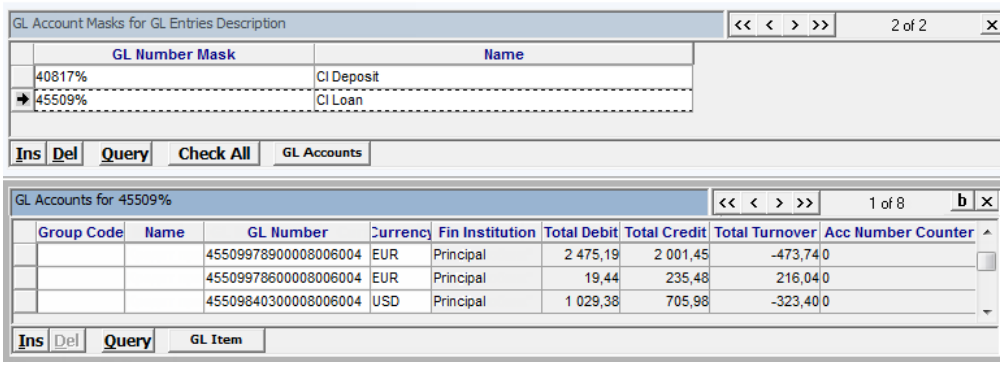

Fig. 24. Configuring GL account masks

In the "GL Account Masks for GL Entries Description" form, account groups are configured: A GL account number mask is set in the *GL Number Mask* field, and the account group name is specified in the *Name* field.

Account number masks are set using the following service characters:

- "_" (underline) – any character.
- "%" – 0 or more any characters.

Together with the "GL Account Masks for GL Entries Description" form, the "GL Accounts for …" form automatically opens. A list of accounts belonging to the group (accounts corresponding to this mask) is shown in this form.

Use of the [Check All] button in the "GL Account Masks for GL Entries Description" form:

- Account groups must not overlap. This condition is checked by clicking the [Check All] button.
- Clicking the [Check All] button for account groups automatically fills in the *Name* field with the value of the GL_ACCOUNT table *Name* field (Full → General Ledger → GL Accounts → GL Account Plan). The group name is filled in automatically only if it has not yet been filled in.

  Accounts of a group usually have the same name. If this is not the case, the group name can be specified manually.

Configuring Entry Descriptions

Entry descriptions depending on GL account correspondence are set according to account masks. The specific purpose of a payment is recorded for entries between GL account groups. For example, entries for debiting any account whose number comes under the mask 40817% and under the mask 45509% for crediting, can have the description "Payment of Overdue Loan Debt".

These configurations can be made in the following forms:

- "Message Dictionary" form (Full → Configuration Setup → Main Tables → Message Dictionary) – for GL entries and subsidiary GL entries whose description must be matched depending on GL account correspondence, special sections (segments) are used in this form. To search for the required section (segment) in the "Message Dictionary", use the following filtering criteria: Object Type = "Transaction" and Object Name = "GL Transaction by Number" (or Object Name ="Analytic Transaction by Number" for subsidiary GL entries).
- "GL Entries Descriptions" form (Full → General Ledger → GL Entries → Entry Description → GL Entries Descriptions), see Fig. 25 – for GL entries. Until version 03.35.30, this was the "GL Synthetic Transfer Descriptions" form and was opened using the menu item "Full → General Ledger → GL Transfers → Transfer Description → GL Synthetic Transfer Descriptions".
- "Subsidiary GL Entries Descriptions" form (Full → General Ledger → GL Entries → Entry Description → Subsidiary GL Entries Descriptions) – for subsidiary GL entries (if it is necessary to set subsidiary GL entry descriptions differing from GL entries). Until version 03.35.30, this was the "GL Analytic Transfer Description" form and was opened using the menu item "Full → General Ledger → GL Transfers → Transfer Description → GL Analytic Transfer Descriptions".

It is more convenient to configure GL entry descriptions and subsidiary GL entry descriptions depending on GL account correspondence (GL account numbers for debit and credit) in the special forms "GL Entries Description" (see Fig. 25) and "Subsidiary GL Entries Descriptions". The fields of these forms correspond to the fields of the "Message Dictionary" form (see the section "Entry Descriptions According to Transaction Types").

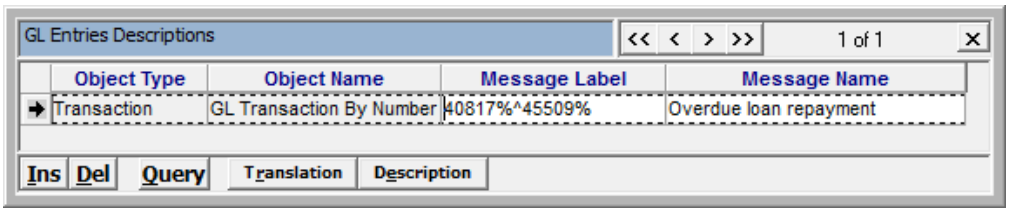

Fig. 25. Configuring entry descriptions depending on GL account correspondence

Configuration specifics can be seen in the example of the "GL Entries Descriptions" form (see Fig. 25):

- The *Object Type* field is filled in automatically when a new record is added.
- The *Object Name* field is filled in automatically when a new record is added:
  - With the value "GL Transaction by Number" – when a record is added to the "GL Entries Descriptions" form.
  - With the value "Analytic Transaction by Number" – when a record is added to the "Subsidiary GL Entries Descriptions" form.
- In the *Message Label* field for the "Subsidiary GL Entries Descriptions" and "GL Entries Descriptions" forms, account masks are set according to the

following template: <debit account mask>^<credit account mask> (see Fig. 25).

Both masks set in the *Message Label* field must be registered in the list of account masks (see the section "Configuring GL Account Masks").

- *Message Name* field– entry description.

  When configuring subsidiary GL entry description, variables belonging to the CONTRACT (contract data), CLIENT (client data) and DOC (transaction data) tables can be used, that are replaced by the values of the database table fields when a description is generated (for more information, see the section "Use of Variables" of the document "Configuration of Client Messages"). To use the CONTRACT and CLIENT table fields, the prefix DR_ or CR_ must be added to variables (for debit or credit operations, respectively).

  Example.

  "Credit card payment %CR_CONTRACT_NUMBER%"

Records configured in the "GL Entries Descriptions" and "Subsidiary GL Entries Descriptions" forms are shown in the "Message Dictionary". To search for the required segment in the "Message Dictionary", use the following filtering criteria: Object Type = "Transaction" or Object Name = "GL Transaction by Number" (or Object Name ="Analytic Transaction by Number", respectively), see Fig. 26, Fig. 27.

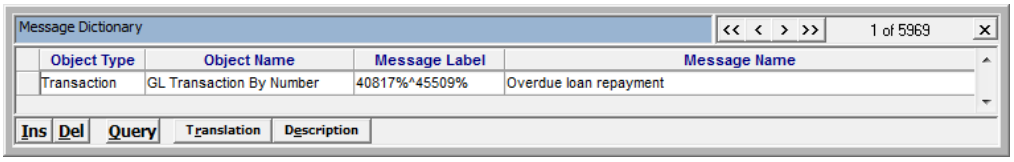

Fig. 26. "Message Dictionary" form, filter by Object Name = "GL Transaction by Number"

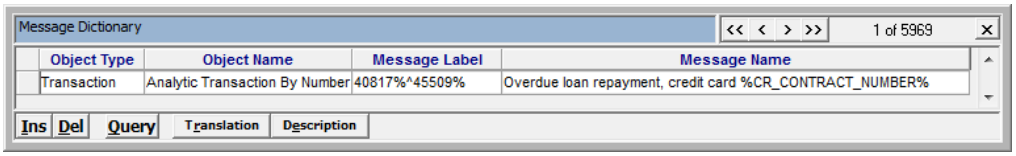

Fig. 27. "Message Dictionary" form, filter by Object Name = "Analytic Transaction by Number"

Configuring Bank Document Types

Legislation in many countries (including in the Russian Federation) requires the bank document type to be specified in subsidiary GL entries. The bank document type is specified according to the correspondence of GL accounts in the entry.

Bank document types are configured using the "GL Account Classifiers" classifier:

- Configuring the GL account classifier
  - In the ""GL Account Classifiers" (Full → General Ledger → GL Entries → GL Entry Classification → GL Account Classifiers; until version 03.35.30 "Full → General Ledger → GL Transfers → GL

Transfer Classification → GL Account Classifiers") set a GL classifier with the code BANK_DOC_TYPE (see Fig. 28).

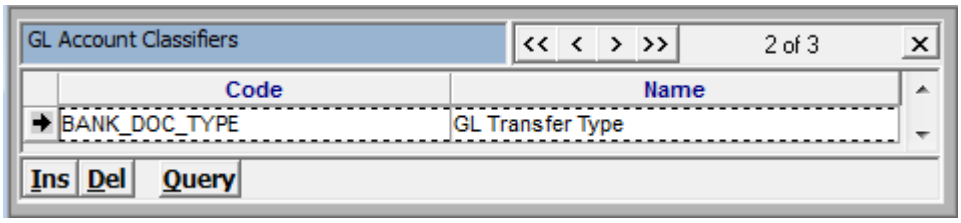

Fig. 28. "GL Account Classifiers" form, configuring bank document types

- In the "GL Account Categories" form Full → General Ledger → GL Entries → GL Entry Classification → GL Account Categories; until version 03.35.30 "Full → General Ledger → GL Transfers → GL Transfer Classification → GL Account Categories"), set account categories (see Fig. 29).

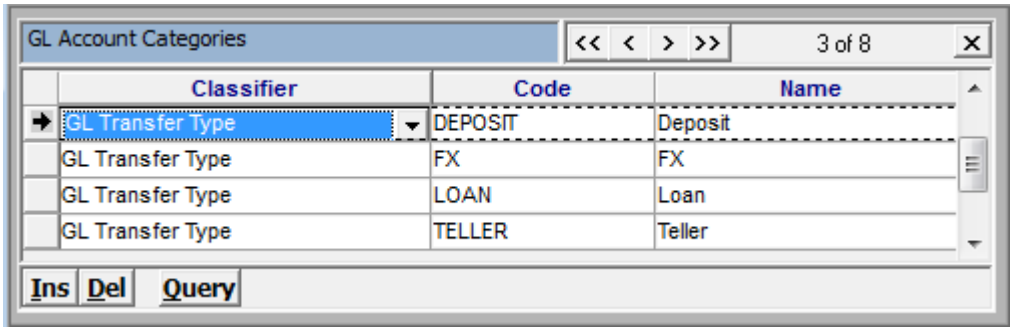

Fig. 29. "GL Account Categories" form, configuring bank document types

- GL accounts are marked with the set classifier categories in the "GL Account Classification" form (Full → General Ledger → GL Entries → GL Entry Classification → GL Account Classification; until version 03.35.30 "Full → General Ledger → GL Transfers → GL Transfer Classification → GL Account Classification") using GL account masks, see Fig. 30.

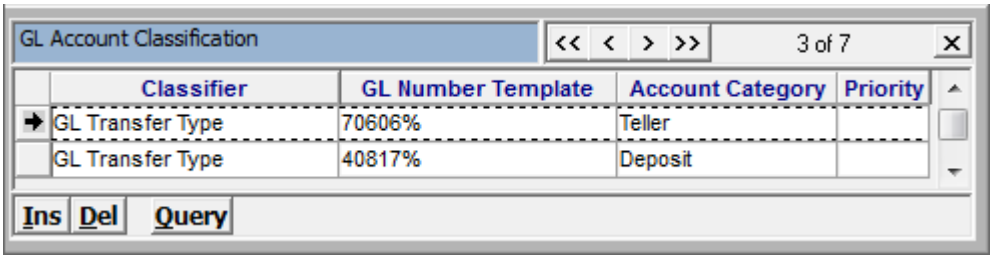

Fig. 30. "GL Account Classification" form

If one GL account corresponds to two account masks (the GL account falls in different account categories), record priorities should be set in the *Priority* field of the "GL Account Classification" form.

- Rules for filling in the bank document type are set in the "GL Entry Categories" form (Full → General Ledger → GL Entries → GL Entry Classification → GL Entry Categories), see Fig. 31. Until version 03.35.30, the "GL Transfer Categories" form (Full → General Ledger → GL Transfers → GL Transfer Classification → GL Transfer Categories).

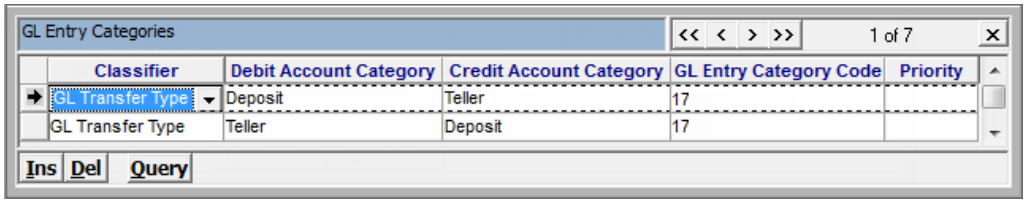

Fig. 31. "GL Entry Categories" form

- The correspondence of GL accounts for which a bank document type is specified is set in the *Debit Account Category* and *Credit Account Category* fields.
- The bank document type (its code) is set in the *GL Entry Category Code* field.
- The priority of account correspondence when specifying a bank document type can be set in the *Priority* field.

The bank document type is exported when exporting subsidiary GL entries and GL entries in UFX format (see the section "Exporting Entries to the CBS").

The bank document type can be shown in the "Consolidated GL Entries" form, see the section ""Consolidated GL Entries" Form)".

In expanded subsidiary ledger mode, the bank document type can be shown in the form for viewing subsidiary GL entries, as in the example in the ""Subsidiary GL Entries by Date" form (Full → General Ledger → GL Entries → Subsidiary GL Entries). Until version 03.35.30, this was the "Analytic Transfers" form, "Full → General Ledger → GL Transfers → Analytic Transfers".

Chapter 4. Working with Accounting Data in WAY4

Viewing GL Account Data

GL account data can be viewed in the following forms:

- The "GL Account Plan" form (Full → General Ledger → GL Accounts → GL Account Plan") contains the full list of GL accounts registered in WAY4, see Fig. 32.

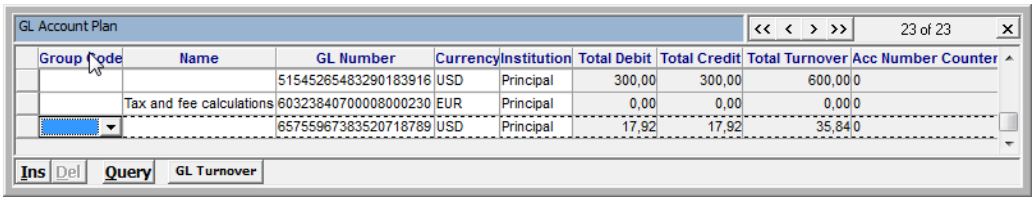

Fig. 32. "GL Account Plan" form

For a description of form fields, see the section "Registering GL Accounts in the "GL Account Plan"".

The [GL Turnover] button of the "GL Account Plan" form (until version 03.35.30, this was the [GL Item] button) is used to view the "Daily GL Turnover" form (until version 03.35.30, this was the "GL Item for…" form). The form contains records on the beginning balance (balance at the beginning of a cycle) and turnover on the account for each banking date during which activity took place on this GL account (see the form "Daily GL Turnover" in Fig. 33). One record of the "Daily GL Turnover" form can contain account turnover for one day, for one account template.

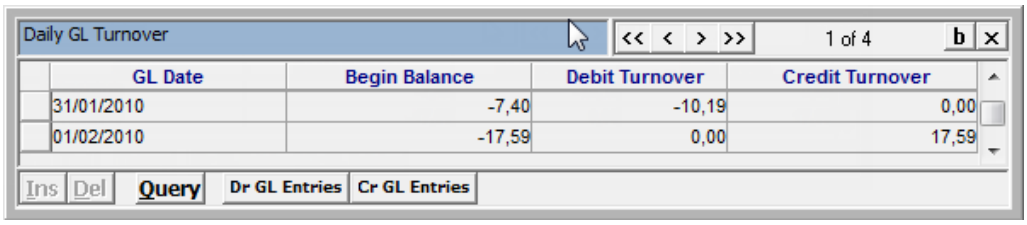

Fig. 33 "Daily GL Turnover" form (until version 03.35.30, the "GL Item for…" form)

The [Dr GL Entries] and [Cr GL Entries] buttons (until version 03.35.30, the [Dr Transfers] and [Cr Transfers] buttons, respectively) are used to view GL entries posted to a GL account for debit and credit transactions, respectively, for a specific date during which activity took place on the account. For more information about viewing entries, see the section ""Dr GL Entries for Daily GL Turnover" and "Cr GL Entries for Daily GL Turnover" Forms").

- In the "GL Accounts for Institution OLD" form left for compatibility with previous WAY4 versions (until version 03.35.30, this was the "GL Accounts for Institution" form). In the "GL Accounts for Institution OLD" form (Full → General Ledger → GL For Institution → GL Accounts for Institution OLD) the general list of account templates for the current financial institution specifying GL numbers for them is shown.

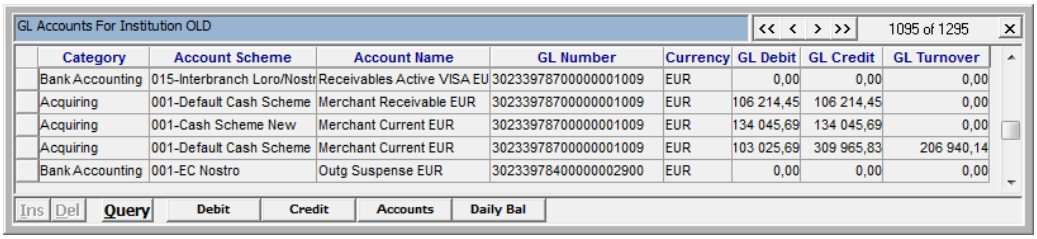

Fig. 34 "GL Accounts for Institution OLD" form (until version 03.35.30, this was the "GL Accounts for Institution" form)

In this form the following is shown for each account template:

- *Account Scheme* – the name of the Account Scheme to which this account template belongs.
- *Account Name* – name of account template.
- *GL Debit, GL Credit, GL Turnover* – turnover on account debit transactions, turnover on account credit transactions, total turnover on an account assigned to a particular template (i.e. total turnover on all contract accounts created according to this template).

  Since one GL account number can be set in several account templates, there may be several records with the same GL number in the list.

The "GL Accounts for Institution OLD" form contains the following control buttons:

- The [Debit] and [Credit] buttons are used to view GL entries for debit and credit transactions on a GL account belonging to a specific template. For more information about viewing entries, see the section ""Debit for <account template name>", "Credit for <account template name>"".
- The [Accounts] button is used to open the "Accounts for <account template name>", that contains information by billing cycle: balance at the start of the billing cycle, the total activity on this template's contract accounts, the total fees during the billing cycle for contract accounts created according to this template (see Fig. 35).

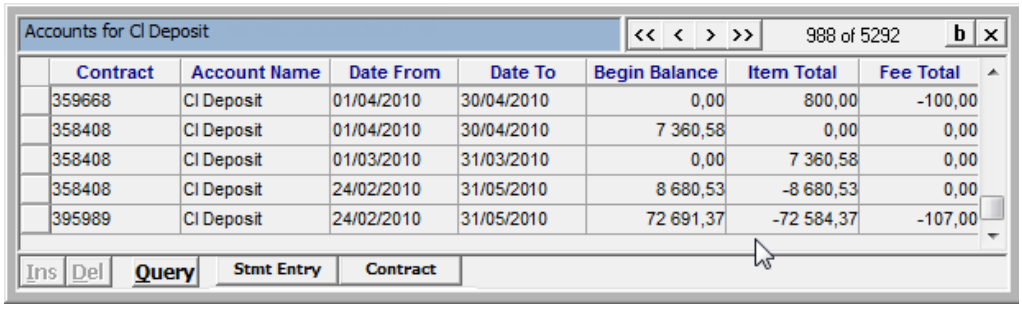

Fig. 35 "Accounts for <account template name>" form

The [Stmt Entry] button of the "Accounts for…" form (until version 03.30.35, the [Doc Entry] button) is used to open a form containing records on activity on this contract account (Statement Entry), see the section "Viewing Journal Entries".

- The [Daily Bal] button opens the "Daily Bal for <account template name>" grid form (see Fig. 36), which is the same as the "Daily GL

Turnover" form (see Fig. 33). This form is used to view consolidated records on the beginning balance (account balance at the start of the cycle) and turnover on the GL account set for this template, for each banking date during which funds moved on this template.

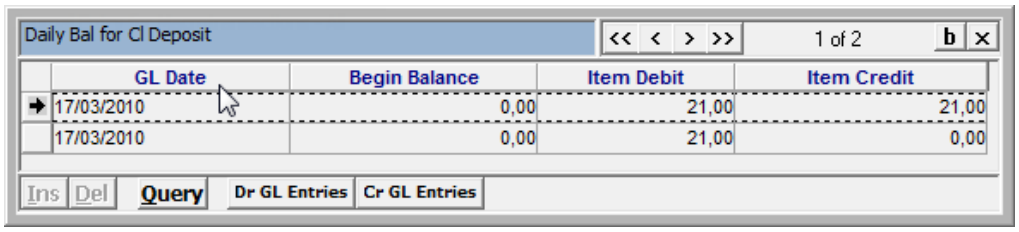

Fig. 36 "Daily Bal for <account template name>" form

The [Dr GL Entries] and [Cr GL Entries] buttons of the "Daily Bal for…" form (until version 03.30.35, the buttons [Dr Transfers] and [Cr Transfers], respectively) are used to view GL entries for a GL account for debit and credit transactions, respectively, for a certain date during which activity took place on the account. For more information, see the section ""Dr GL Entries for Daily GL Turnover" and "Cr GL Entries for Daily GL Turnover" Forms".

Note that if GL account numbers are set in account templates using the Advanced Tariff Management module, template contract account turnovers in the "GL Accounts for Institution OLD" form do not correspond to turnovers on the respective GL accounts configured in the module.

Viewing Contract Account Data

Contract account data is viewed in the "Accounts for <client name>" form, subordinate to the contract form (see Fig. 37).

The "Accounts for…" form can be opened in the following ways:

- From the "Customer Support" module (Issuing → Customer Support → Contracts Info → [Balance] → [Accounts]).
- From the form "Issuing Contracts (Private)" – "Issuing → Contracts Input & Update → Issuing Contracts (Private)" → [Accounts].

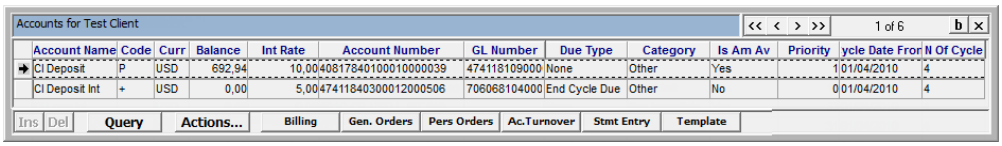

Fig. 37. "Accounts for…" form

This form contains the following fields:

- *Account Name* – account type name.
- *Code* – account type code.
- *Curr* – account currency.
- *Balance* – account balance.
- *Int Rate* – interest rate.

- *Account Number* – subsidiary GL account number.
- *GL Number* – GL account number.
- *Due Type* – due normalization type.
- Category – contract account type category.
- *Is Am Av* – determines whether the balance on this account participates in calculating the contract balance.
- *Priority* – account priority influencing the order of interest accrual on accounts and the order of payments on loan accounts.

This form contains the following buttons:

- [Actions] → "Calc Int" – used to view current interest on the account.
- [Actions] → "Account Statement" – used to generate an account statement.
- [Billing] – used to access information on billing cycles for the selected account.
- [Gen Orders] – used to access information about general and template standing payment orders for the account.
- [Pers Order] – used to access information about inherited standing payment orders for an account.

  Existing (created before version 03.41.30) individual payment orders for issuing and acquiring contracts are shown along with inherited orders by clicking the [Pers Orders] button. Starting from version 03.41.30, individual payment orders can only be created for bank contracts.
- [Stmt Entry] (until version 03.35.30, the [Doc Entry] button) – used to open a form containing records on activity on a contract account, used for generating statements (Statement Entries). For more information, see the section "Viewing Journal Entries".
- [Template] – used to access the template of the selected account.
- Clicking the [Ac.Turnover] button (until version 03.35.30 the [Item] button) opens the "Contract Account Turnover – <account name>" form, containing technical information used to calculate interest and generate account statements.

Viewing GL Entries

Both closed and open GL entries are shown in the forms described in this section. The amount of a GL entry is calculated and shown in the user interface after closing the GL entry. For an open GL entry, a null amount is shown in the interface.

"Consolidated GL Entries" Form

The "Consolidated GL Entries" form is opened using the user menu item "Full → General Ledger → GL Entries → Consolidated GL Entries", see Fig. 38. Until

version 03.35.30, this was the "Synthetic Transfers" form, "Full → General Ledger → GL Transfers → Synthetic Transfers".

This view of GL entries is generated on the basis of the GL_TRANSFER table. For more information about the particulars of GL entry views in the "Consolidate GL Entries" form, see the section "GL Entries".

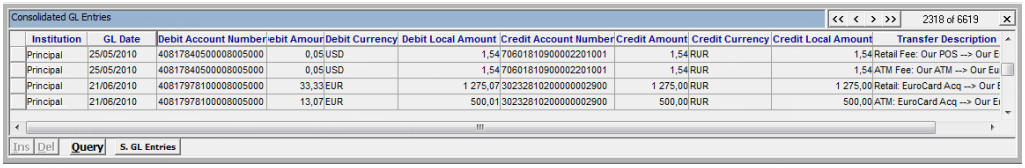

Fig. 38. "Consolidated GL Entries" form (until version 03.35.30, the "Synthetic Transfers" form

This form contains the following fields:

- *Institution* – financial institution.
- *GL Date* – date of entry generation (the banking date the entry was posted to GL accounts).
- *Debit Account Number* – debited GL account number.
- *Debit Amount* – amount for which the GL account specified in the *Debit Account Number* field is being debited.
- *Debit Currency* – currency of the debited amount.
- *Debit Local Amount* – debited amount in the local currency of the financial institution.
- *Credit Account Number* – credited GL account number.
- *Credit Amount* – amount for which the GL account specified in the *Credit Account Number* field is being credited.
- *Credit Currency* – currency of the credited amount.
- *Credit Local Amount* – credited amount in the local currency of the financial institution.
- *GL Entry Description* (until version 03.35.30, the *Transfer Description* field) – entry description.

  If entry codes are shown in the *GL Entry Description* field instead of entry descriptions, it is recommended to update the "Message Dictionary" (see the section "Entry Descriptions According to Transaction Types") or configure entry descriptions manually (see the section "Configuring Entry Descriptions").

The [S. GL Entries] button (until version 03.30.35, the [Analytics] button) is used to view subsidiary GL entries for a GL entry. This button is only used in the expanded subsidiary ledger mode.

"GL Entries – Full Info" Form

A full list of GL entries is provided in the "GL Entries – Full Info" form (Full → General Ledger → GL Entries – Full Info) (see Fig. 39). Until version 03.35.30,

this was the "GL Transfer – All" form (Full → General Ledger → GL Transfer – All).

In this form, GL entries are shown in full accordance with the GL_TRANSFER table (for more information about viewing GL entries, see the section "GL Entries").

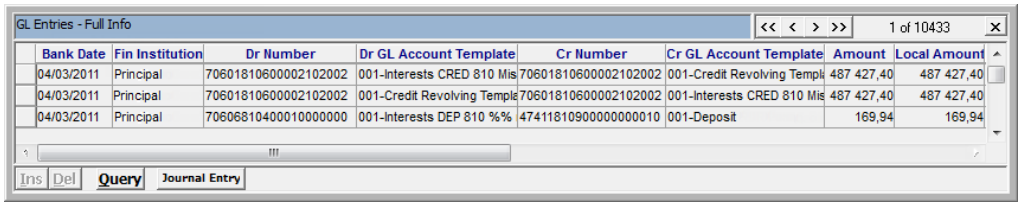

Fig. 39. "GL Entries – Full Info" form (until version 03.35.30, the "GL Transfer – All") form

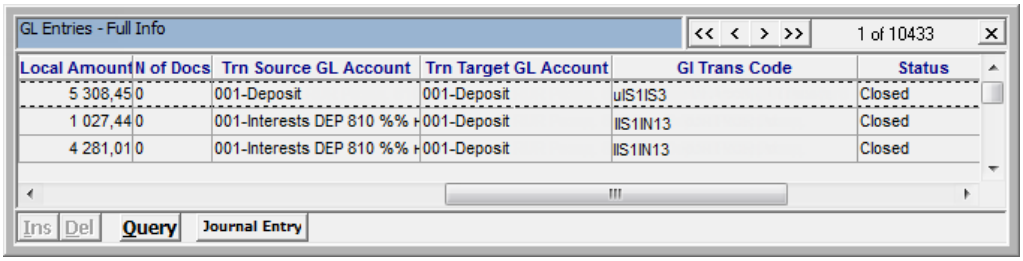

Fig. 40. "GL Transfer – Full Info" form, continued

This form contains the following fields:

- *GL Date* – entry generation date (the banking date the entry was posted to GL accounts).
- *Institution* – financial institution.
- *Dr Number* – debited GL account number.
- *Dr GL Account Template* – template of the debited contract account for which the entry was made.
- *Cr Number* – credited GL account number.
- *Cr GL Account Template* – template of the debited contract account for which the entry was made.
- *Amount* – entry amount.
- *Local Amount* – entry amount in the local currency of the financial institution.
- *N of Docs* – number of journal entries (the number of records in the GL TRACE table) composing this GL entry.
- *GL Trans Code* – GL entry code or GL entry description.

  The entry code is calculated when an entry is generated (for the code generation procedure, see the section "Entry Codes"). A search for the entry description in the "Message Dictionary" is made according to this code
- *Status* – GL entry status:
  - "Active" – open entry (the entry is in the generation stage).
  - "Closed" – the entry is automatically closed when exporting entries to the CBS.

  - "Extracted" – the entry was closed manually and has not yet been exported to the CBS.

- *Trn Source GL Account Template* – source contract account template.
- *Trn Target GL Account Template* – target contract account template.

  The values of the *Trn Source GL Account Template* and *Trn Target GL Account Template* fields can differ from the values of the *Cr GL Account Template* and *Dr GL Account Template* fields, for example, for FX entries. An FX entry is shown in various GL entries, and the *Cr GL Account Template*, and *Dr GL Account Template* fields can specify the templates of intermediate accounts (FX bank account templates) that are actually debited and credited in these GL entries. The templates of destination accounts are specified in the *Trn Source GL Account Template* and *Trn Target GL Account Template* fields, see Fig. 41.

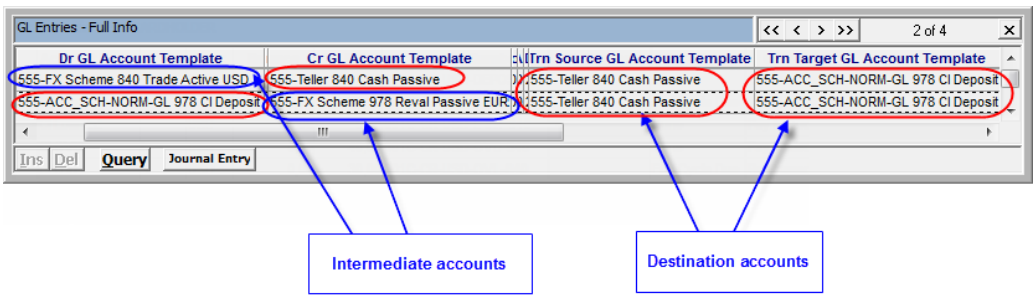

Fig. 41. "GL Entries – Full Info" form, FX entries

Clicking the [Journal Entry] button (until version 03.35.30, the [GL Macro] button) opens the "Journal Entry" form that contains journal entries for the selected GL entry contract accounts (see Fig. 44 in the section "Journal Entries").

"Dr GL Entries for Daily GL Turnover" and "Cr GL Entries for Daily GL Turnover" Forms

"Dr GL Entries for Daily GL Turnover" and "Cr GL Entries for Daily GL Turnover" forms are opened from the "GL Account Plan" form ("Full → General Ledger → GL Accounts → GL Account Plan"– see Fig. 14 in the section "Registering GL Accounts in the "GL Account Plan"") by clicking the [Dr GL Entries] or [Cr GL Entries] buttons, respectively.

Until version 03.35.30, these were the "Dr Transfers for <GL account name>"and "Cr Transfer for <GL account name>" forms, respectively.

The "Dr GL Entries for Daily GL Turnover " form makes it possible to view GL entries for debit transactions on a GL account (see Fig. 42).

The "Cr GL Entries for Daily GL Turnover" form makes it possible to view GL entries for credit transactions on a GL account. This form is similar to the "Dr GL Entries for Daily GL Turnover" form – see Fig. 42).

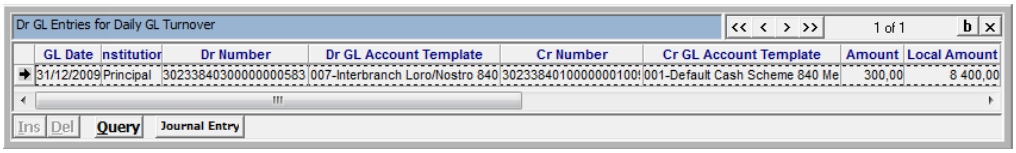

Fig. 42. Dr GL Entries for Daily GL Turnover form (until version 03.35.30, this was the"Dr Transfer for GL Item for <GL account name>" form)

The fields in the "Dr GL Entries for Daily GL Turnover" and "Cr GL Entries for Daily GL Turnover" forms correspond to the "GL Entries – Full Info" form (see the description of fields in the ""GL Entries – Full Info" Form" form).

Clicking the [Journal Entry] button (until version 03.35.30, this was the [GL Macro] button) opens the "Journal Entry" form containing journal entries for the selected GL entry (see Fig. 44 in the section "Viewing Journal Entries").

"Debit for <account template name>", "Credit for <account template name>" Forms

The "Debit for <account template name>" and "Credit for <account template names>" forms are opened from the "GL Accounts for Institution OLD" form ("Full → General Ledger → GL For Institution → GL Accounts for Institution OLD"– see Fig. 34 in the section "Viewing GL Account Data") by clicking the [Debit] and [Credit] buttons, respectively.

These forms are used to view GL entries for debit and credit transactions on a GL account, according to a specific account template. The "Debit for <account template name>" form is similar to the "Credit for <account template name>" – see Fig. 43.

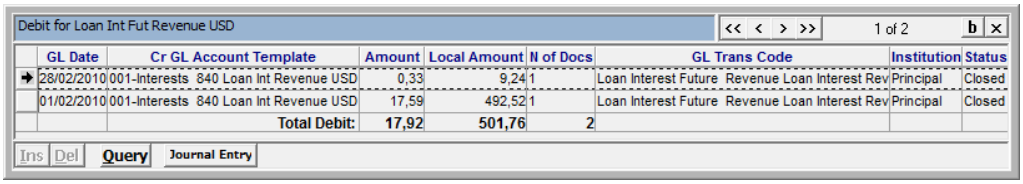

Fig. 43. "Debit for <account template name>" form

The list of fields of the "Debit for <account template name>" and "Credit for <account template name>" corresponds to the "GL Entries – Full Info" form (see the description of fields in the section ""GL Entries – Full Info" Form).

Clicking the [Journal Entry] button (until version 03.35.30, this was the [GL Macro] button) opens the "Journal Entry form containing journal entries for the selected GL entry contract accounts (see Fig. 44 in the section "Viewing Journal Entries").

Viewing Journal Entries

Journal entries are maintained in the GL_TRACE table.

Journal entries make it possible to trace the connection between contract accounts and WAY4 accounting accounts.

Entries in the GL_TRACE table can be viewed using the "Journal Entry" form (until version 03.35.30, the "GL Macro" or "GL Details" forms) containing journal entries for a specific GL entry's contract accounts (see Fig. 44),

specifying the numbers of debited and credited GL accounts and subsidiary GL accounts.

The "Journal Entry" form can be opened, for example from the following forms:

- "GL Entries – Full Info" form (see the section ""GL Entries – Full Info" Form").
- The forms "Dr GL Entries for Daily GL Turnover" and "Cr GL Entries for Daily GL Turnover" Forms (see the section "Dr GL Entries for Daily GL Turnover" and "Cr GL Entries for Daily GL Turnover" Forms").
- "Debit for <account template name>", "Credit for <account template name>" Forms (see the section ""Debit for <account template name>", "Credit for <account template name>" Forms").
- "GL Entries – Full Info" Form, "Full → General Ledger → "Macrotransactions - All → [Journal Entry]" (until version 03.35.30, the [GL Details] button), see Fig. 44.

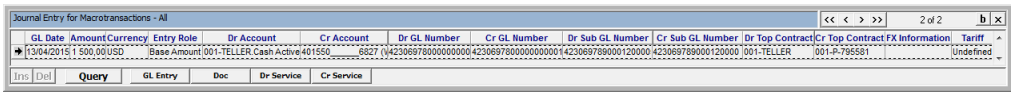

Fig. 44. "Journal Entry…" form (until version 03.35.30, the "GL Details for…" form

Entries with different value of the *GL Type* parameter are highlighted in different colours in the form. For a description of the *GL Type* form, see the section "Registering GL Accounts in the "GL Account Plan" Form" and in the section "GL Properties" of the document "WAY4™ Accounting Schemes".

This form contains the following fields:

- *GL Date* – date the entry was generated (the banking date the entry was posted to GL accounts).
- *Amount* – entry amount.
- *Currency* – entry currency.
- *Entry Role* – type of entry amount.
  - "Base Amount" – base amount of transaction.
  - "Markup Fee" – custom fee with the MARKUP code.
  - "Base Fee" – base fee (the fee configured in the Service for processing the transaction).
  - "Additional Fee" – custom fee (fee configured with a separate Service – Custom Fee).
- *Dr Account* – debited contract account in the format <contract number><main contract number><account name>.
- *Cr Account* – credited contract account in the format <contract number><main contract number><account name>.
- *Dr GL Number* (until version 03.35.30 *Dr Number*) – number of the debited GL account.

- *Cr GL Number* (until version 03.35.30 *Cr Number*) – number of the credited GL account.
- *Dr Sub GL Number* (until version 03.35.30 *Dr Analytic*) – number of the debited subsidiary GL account.
- *Cr Sub GL Number* (until version 03.35.30 *Cr Analytic*) – number of the credited subsidiary GL account.
- *Dr Top Contract* – debited top contract.
- *Cr Top Contract* – credited top contract.
- *FX Information* – information on FX conversion performed, in the format <rate and currency from which conversion was performed> -> <rate and currency to which conversion was performed>; <rate and currency from which conversion was performed> -> <rate and currency to which conversion was performed>. I.e. the field contains data for the entire FX chain (for all FX entries generated as the result of posting a macrotransaction).

The form contains the following buttons:

- [GL Entry] – GL entry in which this entry was posted to contract accounts.
- [Doc] – document whose posting resulted in generation of the entry.
- [Dr Service] – debited contract's Service.
- [Cr Service] – credited contract's Service.

Technical entries are also maintained in WAY4 (in the ENTRY table, generated according to macrotransaction data). A technical entry (statement entry) is a record of the activity on a contract account according to the results of a macrotransaction's execution. These records are used for:

- Calculating interest, performing reversals, etc.
- Reporting in client statements, since transaction and fee amounts can be specified in each record.

  Statements are not generated for all contract accounts (not all contract entries are included in statements).

Statement entry records are accessed in the "Statement Entry" form that can be opened, for example, in the following ways:

- The form can be opened from under a contract (for example, "Issuing → Customer Support → Contract Info → [Balance] → [Accounts] → [Stmt Entry]), see Fig. 45.

  Until version 03.35.30, this was the "Doc Entry for <name of contract account>" form (Issuing → Customer Support → Contract Info → [Balance] → [Accounts] → [Doc Entry]).
- The form can be opened from the list of macrotransactions. For example, "Full → General Ledger → Macrotransactions – ALL → [Stmt Entry])".

  Until version 03.35.30, this was the "Entry for…" form (Full → General Ledger → Macrotransactions – ALL → [Entry]).

If contract entry records are accessed from the list of macrotransactions, the *Contract* for field is shown in the form. This field contains a reference to the contract number that the record belongs to (since the macrotransaction refers to both the source contract account and the target contract account).

Each record in the "Statement Entry" form additionally can contain data from the corresponding document (if activity resulted from document posting).

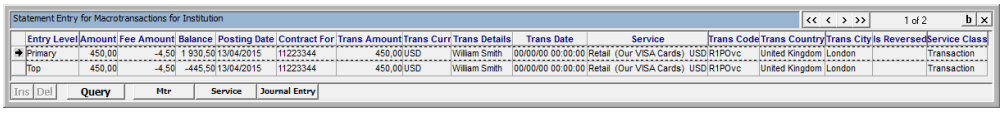

Fig. 45. "Statement Entry" form (Issuing → Customer Support → Contract Info → [Balance] → [Accounts] → [Stmt Entry])

Closing GL Entries

Closing GL entries includes:

- Calculation of entry amounts (see the section "Viewing GL Entries").
- Changing turnover on GL accounts; this turnover is shown, for example, in the *Total Debit* and *Total Credit* fields of the "GL Account Plan" form (Full → General Ledger → GL Accounts → GL Account Plan, see Fig. 14 in the section "Registering GL Accounts in the "GL Account Plan"").

GL Entries are automatically closed when they are exported to the banking system (see the section "Exporting Entries to the CBS"), however, only those entries whose date corresponds to the date of export are closed. When a GL entry is closed, the record is given the "Closed" status in the GL_TRANSFER table (see the *Status* field in the "GL Entries – Full Info" form, see Fig. 39 in the section "GL Entries – Full Info" Form").

When a GL entry is closed, the corresponding subsidiary GL entries are also considered to be closed.

When viewing GL entries in the user interface, these entries may not be up to date:

- In forms, both closed and open GL entries are shown. The amount of a GL entry is calculated and shown in the user interface after closing the GL entry. In the interface, a null amount is shown for an open GL entry.
- Reports for GL accounts (see the document "General Ledger Reports") are generated on the basis of data at the time the procedure for closing GL entries was last run.

If it is necessary to view current data on GL entries before the export of entries (in the corresponding WAY4 forms and reports), close GL entries manually using the menu item "Full → General Ledger → Close GL Entries" (until 03.35.30 this menu item was called "Full → General Ledger → Close GL Transfers). The entry will be assigned the "Extracted" status. The "Closed" status will be automatically assigned when an entry is exported.

When a GL entry is closed, recording of new transactions for the current date with the same correspondence of accounts in this GL entry is terminated. If a new transaction for the same GL entry is made, a second GL entry record is created in the GL_TRANSFER table, with the same correspondence of accounts, for the same date, but for a different amount (for the amount of new entries of the same type.

⚠ If standard export of entries is not executed, close GL entries with the menu item "Full → General Ledger → Close GL Entries". This menu item should be used if standard export of entries by any of the pipes listed in the section "Exporting Entries to the CBS" is not executed, or if it is necessary to view up-to-date GL entry data. This procedure must be executed once a day to optimise the document prosing process. .

The global parameter TRIVIAL_GL_TRANSFER affects the procedure for generating entries (see the section "TRIVIAL_GL_TRANSFER" of the document "WAY4™ Global Parameters").

GL Trace Exceptions

The "GL Trace Exceptions" form (Full → DB Administrator Utilities → Special OpenWay Utilities → GL → GL Trace Exceptions) shows macrotransactions for which the *Local Date* field (date of entries to GL accounts) specifies a closed banking date, i.e. a past date that differs from the current banking date (macrotransaction posting date).

This is an exceptional situation. When the system is functioning correctly, the "GL Trace Exceptions" form does not contain any records.

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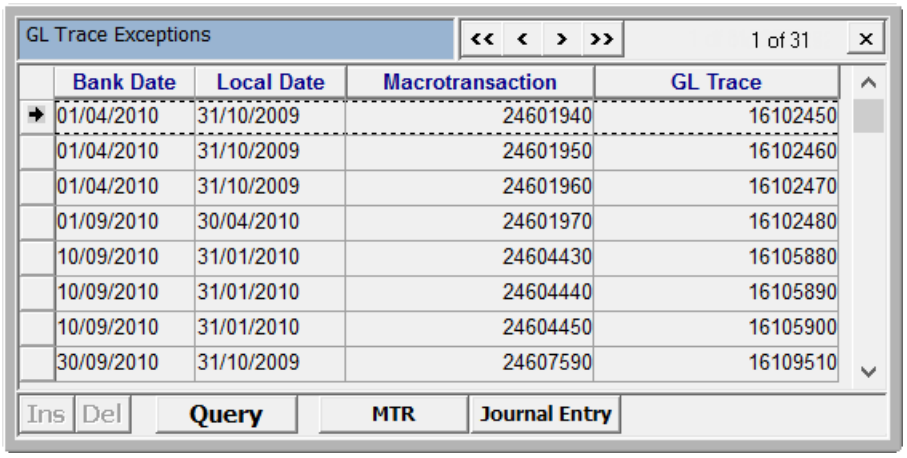


Fig. 46. "GL Trace Exception" form

The form contains the following fields:

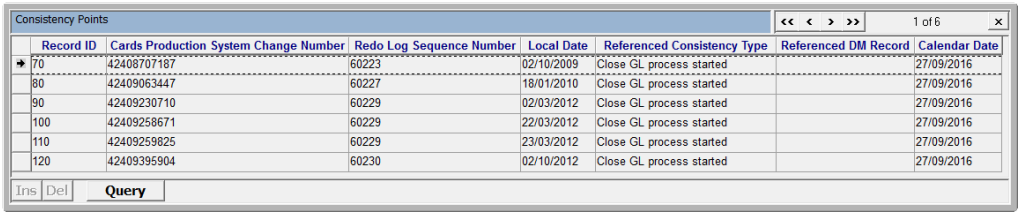
- *Bank Date* – banking date on which the macrotransaction was posted.
- *Local Date* – date of posting the macrotransaction to GL accounts (past date).
- *Macrotransaction* – macrotransaction identifier.

- *GL Trace* – identifier of the GL entry.

If there are records in the "GL Trace Exceptions" form, determine the reason for generation of entries with a past date. A possible reason is an incorrect custom sequence for executing processes in the system. For example, an incorrect order of menu items run in the "Contracts – Daily Update" procedure (when some processes are executed after the end of the "Close GL" process; the "Close GL" process must be executed at the very end of the "Contracts – Daily Update" procedure, after the new banking date has been opened).

The "Close GL" process for the banking day being closed is run after the new banking date has already been opened. This is done so that a number of entries are recorded correctly; for example, entries related to reserving or financial corrections (these entries are made for the day being closed after the new banking date has been opened).

To determine the reason for generating entries with a past date, open the "Process Log" form (Full → Process Log → Process Log) and compare the time when the "Close GL" process was run for the banking date being closed (i.e. the first "Close GL" process on the new banking date) with dates of executing other processes in the process log.


Consistency Points

<< < > >> 1 of 6

Record ID	Cards Production System Change Number	Redo Log Sequence Number	Local Date	Referenced Consistency Type	Referenced DM Record	Calendar Date
70	42408707187	60223	02/10/2009	Close GL process started		27/09/2016
80	42409063447	60227	18/01/2010	Close GL process started		27/09/2016
90	42409230710	60229	02/03/2012	Close GL process started		27/09/2016
100	42409258671	60229	22/03/2012	Close GL process started		27/09/2016
110	42409259825	60229	23/03/2012	Close GL process started		27/09/2016
120	42409395904	60230	02/10/2012	Close GL process started		27/09/2016

Ins Del Query

Fig. 47. "Consistency Points" form

A CLOSE_GL point is defined in the "Consistency Points" form as follows: the "Close GL process started" value is specified in the *Referenced Consistency Type* field for a CLOSE_GL point. The date of creating the point is specified in the *Calendar Date* field.

A CLOSE_GL consistency point is created automatically the first time the procedure is run to export entries during a day or the first time the process for closing entries is run.

If when processing a transaction it is discovered that the date of the entry is less than the date of the CLOSE_GL consistency point, the entry is registered in the "GL Trace Exceptions" form.

Note that during execution of the "Contracts – Daily Update" procedure before a CLOSE_GL point is created, entries with the date of the day being closed are posted correctly, without registration in the "GL Trace Exceptions" form.

If the reason for generating entries with a past date cannot be determined, contact the WAY4 vendor.

If there is a macrotransaction with a past date, repeat export for this date. Otherwise, entries for this macotransaction will not be exported.

Report Generation

For information about generating GL account and GL entry reports, see the document "GL Reports".

Access to reports on analytic accounts and analytic account entries is not available in the basic subsidiary ledger accounting mode (the WAY4 basic configuration). This functionality is available in extended subsidiary ledger accounting mode according to an additional agreement with the WAY4 system vendor.

Exporting Entries to the CBS

General Information

It is possible to export GL account and/or subsidiary GL account entries to the banking system.

A GL entry is given the "Sent" export status when exported (the "Outward_Status" field in the GL Entries – Full Info" form; see Fig. 39 in the section "GL Entries – Full Info" Form"). When a GL entry is exported, the corresponding subsidiary GL entries are also considered to have been exported.

Repeat export of GL entries in UFX format (see the section "Entry Export Pipes") for one banking day is regulated using the CLOSE_TRANSFERS pipe parameter. By default (the default parameter value is "N"), exported GL entries are not marked as "Sent" and can be exported in a repeat export during the day. If the CLOSE_TRANSFERS parameter is "Y", GL entries exported earlier in the day will not be exported when the pipe is started again. Subsidiary GL entries are not closed when exporting (regardless of the CLOSE_TRANSFERS parameter value).

After the final export of entries for a particular date, all entries are marked as exported using a special procedure executed by standard user menu items intended for exporting entries.

When it is necessary to re-export entries that had been exported earlier and marked as "Sent", use the user menu item "Full → DB Administrator Utilities → Special OpenWay Utilities → GL → Reopen GL Entries" (until version 03.35.30, the "Full → DB Administrator Utilities → Special OpenWay Utilities → GL → Reopen GL Transfers" menu item). A window will open to enter the date for which the GL entry must be re-exported. After entering the date and clicking the [Proceed] button, GL entries for this date can be re-exported.

Entry Export Pipes

Entries can be exported using the following pipes:

- "Old RBS Transfers Export" – exports subsidiary GL entries and GL entries in flat file format. Entries are exported as follows:
  - Subsidiary GL entries are exported in full correspondence with the GL_TRACE table – without support of FX entries and without

consolidation of entries in one document for the same debited and credited account numbers (see the section "Entries and their Representations").

- GL entries are exported from the GL_TRANSFER table without support of FX entries. Consolidation of entries for the same debited and credited account numbers is regulated using the pipe parameter MERGE_SIMILAR_TRANSF (see Fig. 48):
  - ♦ When the value of this parameter is "SIMPLE", entries for which the credited and debited account numbers correspond are totaled. Entries in one financial institution and entries with one GL entry code (*GL Trans Code*), in one currency are totaled.
  - ♦ When the value of this parameter is "PARTLY", entries are totaled in the same way as with the "SIMPLE" value, with the exception of entries differing in account templates in a paired entry (in particular, for FX).
  - ♦ If the parameter value is not set, or set to any other value than "SIMPLE" or "PARTLY", entries are not consolidated. Entries are exported in full accordance with the GL_TRANSFER table. By default, the value of this parameter is not set.

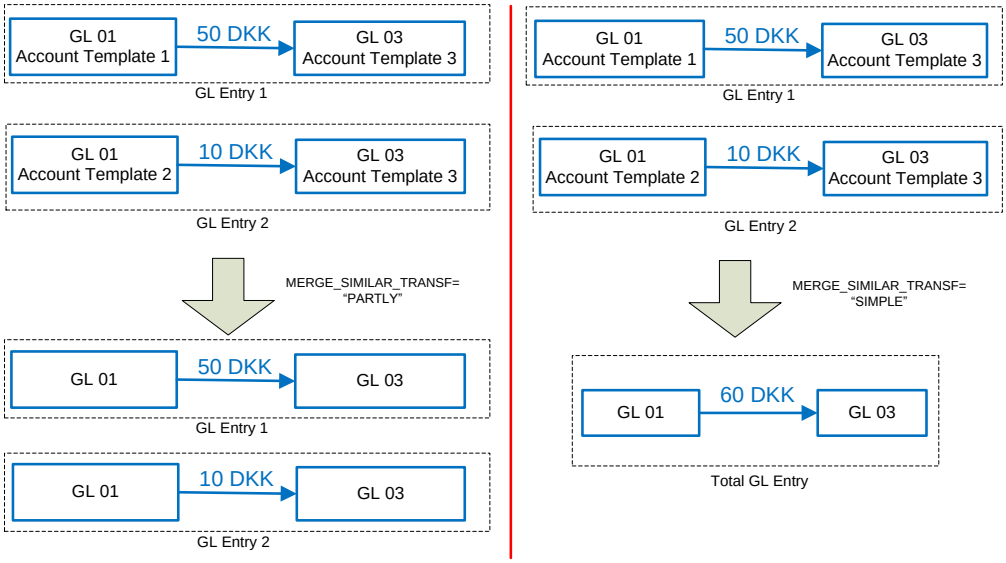


Fig. 48. Regulating the procedure for consolidating GL entries on export using the MERGE_SIMILAR_TRANSF parameter

When exporting parameters in flat file format, only generation of entry descriptions by transaction type is supported (see Method 1 in the section "Methods of Generating Entry Descriptions").

- "GL Transfers Export" – export of entries in UFX format. The menu items:
  - "CBS Subsidiary GL Entries Export" (until version 03.35.30, the "CBS UFX Analytic Transfers Export") – export of subsidiary GL entries in UFX format.
  - "CBS Consolidated GL Entries Export" (until version 03.35.30, the "CBS UFX Synthetic Transfers Export") – export of GL entries in UFX format.

When exporting subsidiary GL entries and GL entries in UFX format, entries are exported from the GL_TRACE (subsidiary GL entries) and GL_TRANSFER

(GL entries) tables without support of FX entries (this is regulated using the NO_FX_MERGE pipe parameter, by default it is not set). For subsidiary GL entries, consolidation of entries with the same account numbers in one document (see "Entries and their Representations") is not supported. Export of GL entries in UFX format with support of FX entries is enabled by setting the NO_FX_MERGE pipe parameter to "N"). In expanded subsidiary ledger mode it is possible to export subsidiary GL entries in UFX format with support of FX entries and consolidation of entries with the same account numbers in one document. This functionality is provided according to an additional agreement with the WAY4 system vendor.

When exporting entries in UFX format, generation of entry descriptions according to transaction type (see the description of Method 1 in the section "Methods of Generating Entry Descriptions"), and according to account masks is supported (see the description of Method 2 in the section "Methods of Generating Entry Descriptions").

For more information about the procedure for exporting entries, see the section "Exporting RBS files" of the document "Daily Procedures".

Technical subsidiary GL accounts for ensuring Product logic can be generated in WAY4. It is not necessary to export the data of these accounts to the CBS. Filtering the list of accounts for data export is configured on the level of the corresponding pipes (see the document "Export of Subsidiary GL Entries and GL Entries in UFX Format").

Troubleshooting Errors that Occur when Closing Entries

When closing GL entries, if the process for closing entries is executed in parallel, temporary GL entries are created in the GL_TRANSFER_TMP table, each of which is linked with an actual GL entry in the GL_TRANSFER table. These temporary entries are deleted after the process for closing entries has been completed successfully.

In some cases, temporary entries may remain in the GL_TRANSFER_TMP table. In this case, the process for closing entries is not completed and requires troubleshooting.

After the process for closing and exporting entries has been completed, open the "Orphan Gl Transfer Tmp" form (Full → DB Administrator Utilities → Special OpenWay Utilities → GL → Troubleshooting → Orphan Gl Transfer Tmp). If the process for closing entries was successfully completed, the form will be empty and further actions are not required. If entries were closed unsuccessfully, and there are records remaining in the GL_TRANSFER_TMP table, these records will be shown in the "Orphan Gl Transfer Tmp" form. In this case, do as follows:

- Run the menu item "Full → DB Administrator Utilities → Special OpenWay Utilities → GL → Troubleshooting → Add Technical GL Transfers". Duplicates of original records will be created in the GL_TRANSFER table with an active status (technical records).

- Close entries manually, using the menu item "Full → General Ledger → Close GL Entries" (see the section "Closing GL Entries"). Records from GL_TRANSFER_TMP will be recorded in the new technical records in the GL_TRANSFER table. Then the corresponding records in the GL_TRANSFER_TMP table will be deleted.
- For each date for which technical records were created, repeat export in the GL_TRANSFER table.
- After doing as described above, the results of processing technical records from the GL_TRANSFER table can be seen in the "Gl Transfer To Merge" form **(**Full → DB Administrator Utilities → Special OpenWay Utilities → GL → Troubleshooting → Gl Transfer To Merge).

   An error may occur if the "Gl Transfer To Merge" form is opened before the aforementioned actions have been taken.
- After all technical records from the GL_TRANSFER table have been exported, run the menu item "Full → DB Administrator Utilities → Special OpenWay Utilities → GL → Troubleshooting → Merge Technical GL Transfers" in which the following is performed:
  - The statuses of the original record in the GL_TRANSFER table and the technical record in GL_TRANSFER are checked (the status must be "Close" or "Sent").
  - The amount of the original record in GL_TRANSFER is updated to the amount of the technical record in GL_TRANSFER.
  - Then the technical record in the GL_TRANSFER table is deleted.
- After all the aforementioned actions have been taken, the "Orphan Gl Transfer Tmp" and "Gl Transfer To Merge" forms should be empty.