

Financials Fundamentals





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Change Summary

Product Name Changes

Starting in September 2019, the new name for QAD's complete portfolio of products is QAD Adaptive Applications. Additionally, QAD Adaptive ERP is the new name for QAD's flagship ERP solution. QAD Adaptive ERP includes the functionality previously associated with QAD Cloud ERP and QAD Enterprise Applications - Enterprise Edition, plus the QAD Enterprise Platform and Adaptive UX which resulted from the Channel Islands program. Going forward, the terms QAD Enterprise Applications, QAD Cloud ERP, and Channel Islands will be deprecated but will remain in previous documentation and training materials. QAD's intention is to—as soon as possible—eliminate the use of the deprecated terms going forward.

Change Summary

The following table summarizes significant differences between this document and the last published version.

Date/Version	Description	Reference
November 2021	Initial release	---



Introduction

This class is designed to teach the basic features and functions of QAD Financials and the business requirements to consider when implementing those. The topics include key concepts, setup, process flows, navigating, and reporting.

The scope of the class is limited to Accounts Payable, Accounts Receivable, and General Ledger. For further topics, see *QAD Financials-Advanced Training Guide*.

Topics will be presented and then practiced with hands-on exercises. On the last day, students will have the opportunity to test their understanding and knowledge by working on an extended exercise covering most of the topics discussed during the class.

Course Objectives

By the end of this class, students will:

- Have a thorough understanding of the concepts underlying QAD Financials
- Understand how QAD Financials interacts with the operational modules
- Be able to navigate, query, and report in QAD Financials
- Be able to complete the basic business processes of the Accounts Receivable, Accounts Payable, and General Ledger modules
- Understand the best practices for setting up and using QAD Financials

Audience

This class is intended for accountants, controllers, financial managers, and accounting clerks, as well as QAD R&D and Services and Support personnel. The Financials Fundamentals course is the first step on the Enterprise Financials learning path.

The Advanced Financials course follows on from the Financials Fundamentals course, and introduces advanced topics such as budgeting, allocations, and consolidation.

Training Environment-Related Information

The Financials Fundamentals exercises use QMI data. You can complete these exercises using a PC 4.0 environment or in another environment that has QMI data.

The exercises use the 10USA domain and entities and the US dollar as currency. The exercises highlight some US-specific accounting practices such as in AP payments.

User Name and Password

To complete the exercises in this book, log in your QAD Adaptive UX environment using:

Username: mfg@qad.com

Password: <blank>



Seed Transaction Data

The Financials Fundamentals exercises use customers, supplier, and item QMI data. In many instances, the exercises in this book require you to create sales orders, purchase orders, invoices, payments, and banking entries, and to perform revaluation, based on data you enter yourself.

However, the exercises in Open Item Adjustment, GL Open Item Reconciliation, and some of the exercises in Bank Statements use transaction data that needs to be loaded into your environment in advance of performing the exercises. You can load these transactions and perform the related Financials Fundamentals exercises in any environment that already has the underlying QMI data for customers, suppliers, and items.

You must load the following files into your environment to be able to complete all parts of the Open Item Adjustments, Bank Statements, and GL Open Item Reconciliation exercises.

Open Item Adjustment Seed Transactions

- Financials Fundamentals - Customer Opening Balance Web UI (10USA).xlsx
Load this file using Customer Opening Balance Excel Integration in entity 10USACO.
- Financials Fundamentals – Supplier Opening Balance Web UI.xlsx
Load this file using Supplier Opening Balance Excel Integration in entity 10USACO.

Bank Statements Seed Transactions

- Financials Fundamentals - Customer Opening Balance Web UI (10USA).xlsx
Uses the same Customer Opening Balance Excel Integration file as Open Item Adjustments. You only need to load the file once. Otherwise, two sets of identical data are created.
- Financials Fundamentals - Customer Opening Balance Web UI (11CANCO).xlsx
Load this file using Customer Opening Balance Excel Integration in entity 11CANCO. Ensure that you change domains to 11CANCO before loading this file.

GL Open Item Reconciliation

Financials Fundamentals - Journal Entry GL Open Items Web UI.xlsx
Load this file using Journal Entry Excel Integration in entity 10USACO.

Important: The load files are included in the .zip file of slides for this course.

Editing the Excel Files Dates before Loading

To maintain realistic data in QAD's PC 4.0 environments, the QMI data is updated monthly, as it would be in a regular business, and past GL periods are closed at month end. Therefore, you must ensure that you load the seed transactions into the current open GL period to ensure that the data loads without error.

Important: The seed transactions in the Excel load files were created in November 2021, so all GL periods, dates, and the GL calendar year values in the files pertain to that period. Therefore, if you



are undertaking the exercises in May 2022 in a PC 4.0 QAD environment; before you load the transaction files, edit the dates, GL periods, and year values in the files to those of the current open GL period and year. If you do not update the dates in the files and the November 2021 GL period is closed in your environment, your files will not load.

Example

You are performing the training exercises in **May 2022**. Before loading the files using the relevant Excel Integration function, you open each of the transaction files and update the dates in the file to those of the current open GL period. In this case, **May 2022**. You save your changes.

Original Supplier Opening Balance File with Dates from November 2021

	Q	S	U	W	X	Y	AB	AC	AD
1	Due Date	Tax Point Date	Invoice Type	Daybook	Base Currency	Credit Terms	GL Period	GL Calendar Year	Posting Date
2	balance.ICustomer	balance.ICustomer	balance.ICustomer	balance.ICustomer	balance.ICustomer	balance.ICustomer	balance.ICustomer	balance.ICustomer	balance.ICustomer
3	11/8/2021	10/8/2021	INVOICE	CIHO	USD	30D	10	2021	10/8/2021
4	11/8/2021	10/8/2021	INVOICE	CIHO	USD	30D	10	2021	10/8/2021
5	11/8/2021	10/8/2021	INVOICE	CIHO	USD	30D	10	2021	10/8/2021
6	11/8/2021	10/8/2021	CREDITNOTE	CCNM	USD	30D	10	2021	10/8/2021
7	11/8/2021	10/8/2021	INVOICE	CIHO	USD	30D	10	2021	10/8/2021
8	11/8/2021	10/8/2021	INVOICE	CIHO	USD	CASH	10	2021	10/8/2021
9									
10									
11									

Updated Supplier Opening Balance File with Dates Set to May 2022

	Q	S	U	W	X	Y	AB	AC	AD
1	Due Date	Tax Point Date	Invoice Type	Daybook	Base Currency	Credit Terms	GL Period	GL Calendar Year	Posting Date
2	balance.ICustomer	balance.ICustomer	balance.ICustomer	balance.ICustomer	balance.ICustomer	balance.ICustomer	balance.ICustomer	balance.ICustomer	balance.ICustomer
3	11/5/2022	11/5/2022	INVOICE	CIHO	USD	30D	5	2022	11/5/2022
4	11/5/2022	11/5/2022	INVOICE	CIHO	USD	30D	5	2022	11/5/2022
5	11/5/2022	11/5/2022	INVOICE	CIHO	USD	30D	5	2022	11/5/2022
6	11/5/2022	11/5/2022	CREDITNOTE	CCNM	USD	30D	5	2022	11/5/2022
7	11/5/2022	11/5/2022	INVOICE	CIHO	USD	30D	5	2022	11/5/2022
8	11/5/2022	11/5/2022	INVOICE	CIHO	USD	CASH	5	2022	11/5/2022
9									

Loading Transaction Files Using Excel Integration

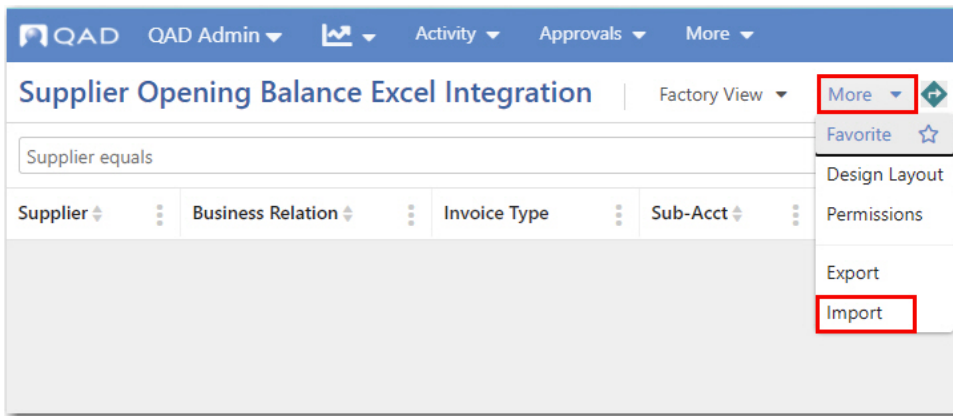
Excel integration can be used to upload and update master data such as chart of account data, business relations, and SAF structures. You can also upload transactional data such as journal entries and invoices, as we do in this exercise book.

From within the Excel Integration functions, you can import and export data using the **More** menu.

1. Ensure that you are in the correct entity and that you have updated the dates in the load files.
2. Open the relevant Excel Integration function from the **Search** menu.

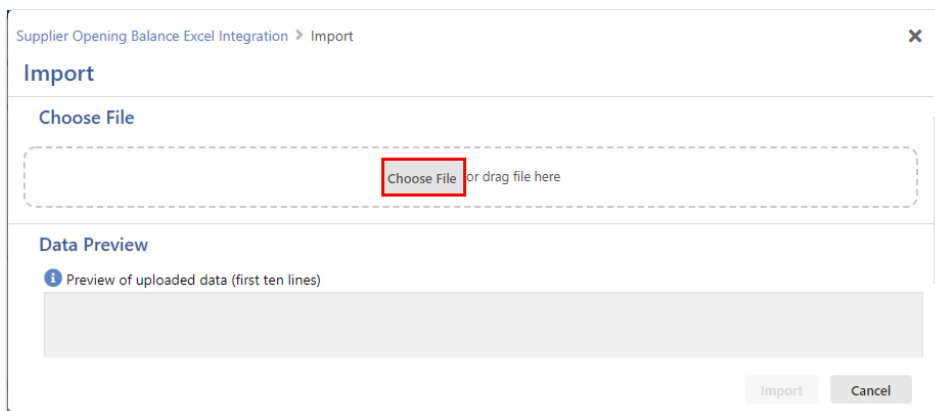


3. In the Excel Integration function, click **More** and then **Import**.



The **Import** dialog box opens.

4. In the **Import** dialog box, click **Choose File**.

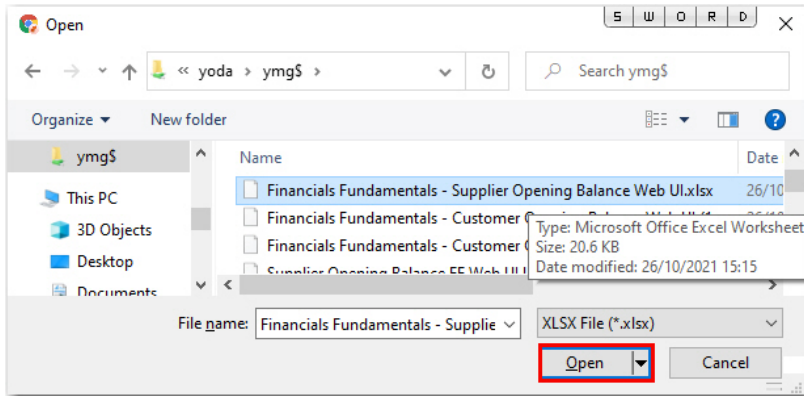


The **Open** dialog box opens.

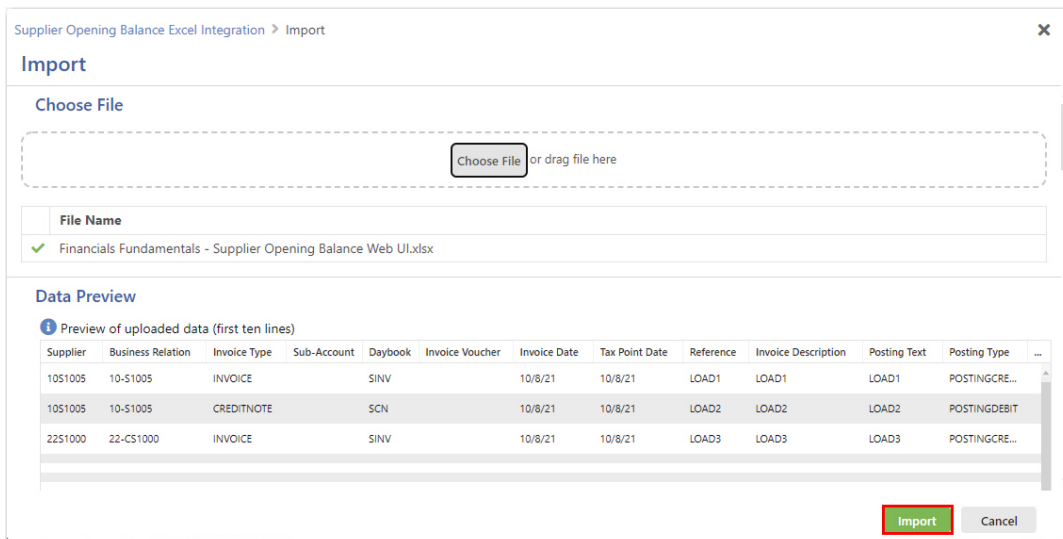
5. In the **Open** dialog box, choose the Excel Integration transaction file that you want to load.
Important: if you are in **Supplier Opening Balance Excel Integration**, you will be loading the Supplier Opening Balance Excel file; if you are in **Journal Entry Excel Integration**, you will be loading the Journal Entry Excel file, and so on.



- After you select your load file, click **Open** to load the file.

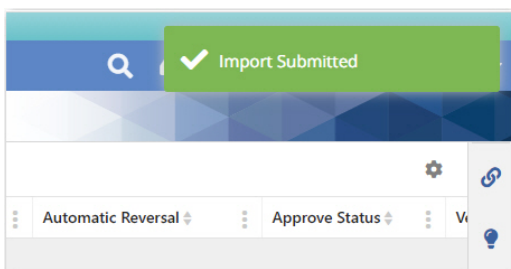


The **Import** dialog is updated with a preview of the load file transactions.



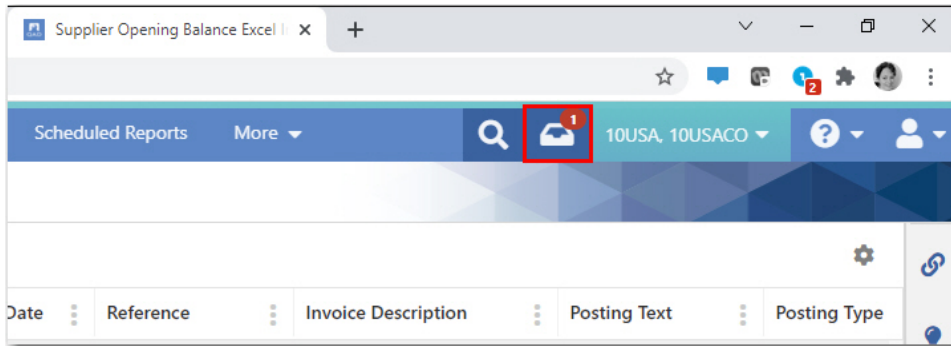
- Click **Import**.

You will see an **Import Submitted** message at the top right of the screen.

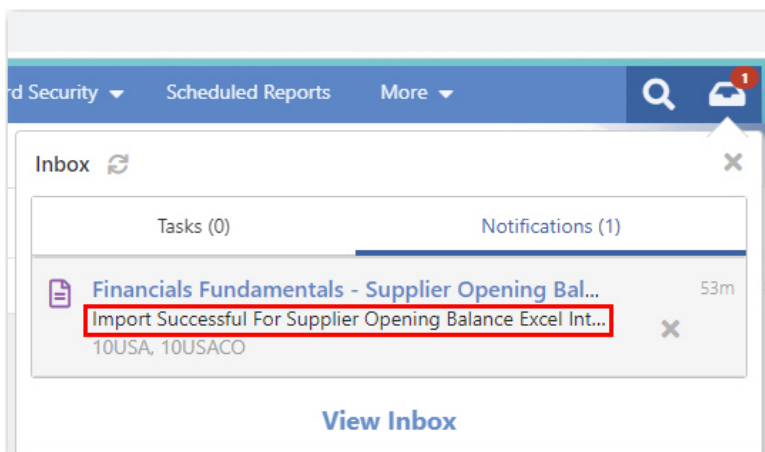




Soon afterwards, the **Inbox** icon will indicate that you have a new notification.



8. Click on the **Inbox** icon.
The Inbox displays a listing of your recent messages in a drop-down box.
9. Click on the **Notifications** tab.
The notification should indicate that the file was successfully imported.





Customer Exercises

Customer Payment Statuses

Use **Customer Payment Status** to create payment statuses for the payment instrument Draft.

1. Open the **Customer Payment Status** browse from the QAD Adaptive UX menu search.
2. In the browse, click the **New** button in the menu.
3. Specify the following values to create three separate records for the **Draft** payment instrument:

Field	Status 1	Status 2	Status 3
Status	Initial	For Collection	Paid
Bank GL Account	1100	1100	1100
Daybook Code		ARPAY	ARPAY
Cust Pmt Account		1380	1380
Default Value Days	0	0	0

Customer Setup

In this exercise, you will create a business relation record and a customer record.

1. Open the **Business Relations** browse from the QAD Adaptive UX menu search.
2. In the browse, click **New** to create the following business relation:

Field	Value
Business Relation	10-C0999
Name	Vons
Search Name	Safeway Inc c/o Vons



3. In the Addresses panel, click **New** to add a new row. Create the following address record:

Field	Value
Address Type	Headoffice
Address	4750 E Merton School Rd
Zip/City	07936 East Hanover
State	AZ
Country Code	USA

4. Save your changes.
5. In the **Customers** browse, click **New** to create the following customer record:

Field	Value
Customer	10C0999
Business Relation	10-C0999
Bill-To Customer	Blank

- a. In the Accounting Profile subpanel of **Customers**, specify the following values:

Field	Value
Control GL Profile (Invoice)	ARcontrol3rdparty
Control GL Profile (Credit Note)	ARcontrol3rdparty
Control GL Profile (Prepayment)	ARcontrol3rdparty
Control GL Profile (Deduction)	ARcontrol3rdparty



Field	Value
Sales Account GL Profile	Sales-Project
Finance Charge Profile	FinCharge1
Sub-Account Profile	DefSubAct

b. In the Payment subpanel of **Customers**, specify the following values:

Field	Value
Credit Term	30D
Invoice Status	C-OK
Print Reminder	Yes
Print Statement	Yes
Finance Charge	Yes
Statement Cycle	MO

c. In the Tax subpanel of **Customers**, specify the following values:

Field	Value
Taxable Customer	Yes
Tax in City	Yes
Tax Zone	USA



- d. In the Banking panel of **Customers**, click **New** to add a new row. Create the following banking record:

Field	Value
Bank Account Format	XX
Customer Bank Number	AR201101
Own Bank Number	55667342
Payment Format	CUST-CHECK (autofilled when you press Tab from the Own Bank Number field).

- e. In the Credit Limit panel of **Customers**, specify the following values:

Field	Value
Apply Fixed Ceiling	Yes
Fixed Credit Limit	5,000,000

- f. In the Credit Check subpanel of **Customers**, specify the following values:

Field	Value
Include Sales Orders	Yes
Include Open Items	Yes
Calculate before Order Entry	Yes
Calculate after Order Entry	Yes



Field	Value
Override Allowed	Yes

6. Save the customer record.

Important: Ignore any Revenue Recognition-related COGS warnings. Revenue Recognition is not covered as part of this course.

Create a Ship-To

1. In the **Customer Ship-to's** browse, click **New** to create the following customer ship-to record:

Field	Value
Customer	10C0999
Ship-To Code	10C0999A

2. Click the **Use Existing Address** button.
3. In the **Addresses** pop-up window, click the drop-down arrow in the **Search** field.
4. In the field on the left, choose **Business Relation**.
5. In the field in the middle, choose **equals**.
6. In the field on the right, specify *10-C0999*.
7. Click **Search**.

The address for the Vons business relation is selected and highlighted.

8. Click **OK**.

The Address panel is filled in. In the Tax panel, the following values default:

Field	Value
Taxable Address	Yes
Tax in City	Yes
Tax Zone	USA

9. Click **Save**.



Sales Process

In this exercise, you will create and post customer invoices based on sales orders.

Create a Sales Order

1. Open **Sales Orders** from the QAD Adaptive UX menu search.
2. In the **Sales Orders** browse, click **New** to create a sales order.
 - a. Enter the following values:

Field	Value
Main Panel	
Sold-To	10C1002 (Houston Automotive Group)
Ship-To	10C1002 (Houston Automotive Group)
Taxable	No
Order Options Subpanel of Main Panel	
Detail Allocations	Yes

- b. In the Order Lines panel, click **New** to add a line and specify the following line details:

Field	Value
Line	1 (defaults)
Item	03031
Site	10-300 (defaults)
Qty Ordered	100
List Price	USD 8.99 (defaults)

- c. Click **Done** to confirm the line.
 - d. Click **Save**.
- We will now pick the items.



3. In the **Actions** menu of the new sales order, select **Pick Allocated**.

The **Pick Allocated** window opens. You do not need to make any changes.

- a. Click **Submit**.

The application displays a **Pick Complete** message with the pre-shipper number for your sales order.

Note your pre-shipper number_____.

Note: The Pick Allocated step changes the status of the order from Detail Allocated to Picked.

- b. Click **OK** in the **Pick Complete** message.

4. From the QAD Adaptive UX menu search, open the **Pre-Shippers** browse.

- a. In the **Pre-Shippers** browse, locate your pre-shipper—either using the **Search** or by scanning with your eyes if there are not many pre-shippers.

- b. Click on your pre-shipper to highlight it.

- c. In the **Actions** menu of the browse, click **Confirm**.

The Confirm step notifies the system that the items have been taken out of inventory and are gone.

The **Confirm** screen opens.

- d. On the **Confirm** screen, scroll down to the Workflow Options panel.

- e. Note the **Invoice** field, which lets you select how you want to invoice the items. In the **Invoice** field, choose **Now**.

- f. Click **Submit**.

The system displays a **Shipment Confirmed Successfully** message with the shipper ID of your order.

- g. In the **Shipment Confirmed Successfully** message, click **OK**.

The **Shipper** window opens.

- h. In the **Shipper** window, you do not need to modify anything. Click **Submit**.

The system displays an **Invoice Complete** message with the invoice ID that corresponds to your order. The invoice for your sales order is sent to Accounts Receivable.

- i. In the **Invoice Complete** message, click **OK**.

5. Review the GL transactions in **Journal Entries**. Select transactions for daybook ISS-SO only.

6. View the customer invoice using **Customer Invoices**.

7. Run the following reports with the current date as the posting date:

- GL Transaction Report
- GL Transactions Audit Log
- GL Transactions by Daybook

Use the filter criteria to make your search easier (for example, daybook, customer, date).



Create a Customer Invoice/Correction Invoice

In this exercise, you will create and post customer invoices based on a sales order.

1. Open **Sales Control** from the QAD Adaptive UX menu search.
 - a. Scroll to the Sales Accounting panel and select the **Use Correction Invoices** field.
 - b. Save your changes.
2. Open **Sales Orders** from the QAD Adaptive UX menu search.
 - a. In the **Sales Orders** browse, click **New** to create a sales order.
 - b. Enter the following values:

Field	Value
Main Panel	
Sold-To	10C1002 (Houston Automotive Group)
Ship-To	10C1002 (Houston Automotive Group)
Taxable	No
Order Options Subpanel of Main Panel	
Detail Allocations	Yes

- c. In the Order Lines panel, click **New** to add a line and specify the following line details:

Field	Value
Line	1 (defaults)
Item	03031
Site	10-300 (defaults)
Qty Ordered	100
List Price	USD 8.99 (defaults)



- d. Click **Done** to confirm the line.
- e. Click **Save**.
3. As in the previous exercise, pick the items using the **Pick Allocated** action in the sales order.
4. In the **Pre-Shippers** browse, use the **Confirm** action to confirm the pre-shipper.
5. On the **Confirm** screen, choose to create the invoice now and then create the shipper and invoice, as in the previous exercise.

The invoice is created and sent to Accounts Receivable.

You notice that you did not use the correct pricing and need to make an adjustment.

6. From the QAD Adaptive UX menu search, open the **Invoice History** browse.
 - a. In the **Invoice History** browse, use the **Search** function to locate the invoice that was just created. For example, select **Invoice Date** in the left search field, **equals** in the middle field, and the current date in the right field. Click **Search**.
 - b. Highlight the invoice in the browse.
 - c. In the **Actions** menu, select **Create Correction**.

The **Create Correction** window opens.
 - d. In the **Create Correction** window, specify the following values:

Field	Value
Sales Order	Specify a new sales order number for the correction.
Reason for Correction	Price (select from lookup).

- e. In the Correction Lines panel, click the top line—the system has automatically created the correction sales order line; you just need to edit it.

The line becomes highlighted in blue and editable.
- f. In the **List Price** field, change the price from 8.99 to 8.80.
- g. Click **Submit**.

The **Invoice History - Sales Orders** screen opens.
- h. In the Order Options subpanel of the Main panel, select the **Detail Allocations** field.

In the Order Lines panel, the application has defaulted the correction lines automatically.
- i. Click **Save**.

Note: Currently, correction order shipments are not completely supported in the QAD Web UI and should take place using **Sales Order Shipments (7.9.15)** in the QAD .NET UI.

Ship using **Sales Order Shipments**:

7. On your PC 4.0 Desktop, launch the QAD .NET UI.



- a. Log in using user ID *mfg* and blank *password*.
 - b. Using the QAD .NET UI **Search** field, open **Sales Order Shipments**.
 - c. Use **Sales Order Shipments** to ship all 100 units of the correction sales order.
 - d. Use **Invoice Post and Print** to post the invoice to Accounts Receivable.
- Important:** Ensure that you select the **Correction Invoices** field in **Invoice Post and Print**.
8. View the customer invoice using **Customer Invoices**.
 9. Run the following reports with the current date as the posting date:
 - GL Transaction Report
 - GL Transactions Audit Log
 - GL Transactions by Daybook

Sales Flow Variant—Service Fees/Trailer Charges

In this exercise, you will create and post customer invoices based on a sales order.

1. In the **Sales Orders** browse, click **New** to create a sales order.
2. Enter the following values:

Field	Value
Main Panel	
Sold-To	10C1002 (Houston Automotive Group)
Ship-To	10C1002 (Houston Automotive Group)
Taxable	No
Order Options Subpanel of Main Panel	
Detail Allocations	Yes

3. Specify the line details:

Field	Value
Line	1 (defaults)
Item	03031



Field	Value
Site	10-300 (defaults)
Qty Ordered	100
List Price	USD 8.99 (defaults)

4. Click **Done** to confirm the line. Do not save yet.
5. In the Charges subpanel of the Totals panel, specify an additional value.

Field	Value
Special	USD 200

6. Click **Save**.
7. As in the previous exercises, pick the items using the **Pick Allocated** action.
8. In the **Pre-Shippers** browse, use the **Confirm** action to confirm the pre-shipper.
9. On the **Confirm** screen, choose to create the invoice now and then create the shipper and invoice, as in the previous exercise.

The invoice is created and sent to Accounts Receivable.

10. View the customer invoice using **Customer Invoices**.
11. Run the following reports with the current date as the posting date:
 - GL Transaction Report
 - GL Transactions Audit Log
 - GL Transactions by Daybook



Sales Flow Variant—Credit Note

In this exercise, you will create and post an invoice and the corresponding customer credit note.

1. Open **Customer Invoices** from the **Search** menu.
2. Click **New** in the browse menu to create and save the following invoice:

Field	Value
Customer	10C1003, Pacific Health Care Systems
Description	Inv 10C1003-1
Daybook	CIM
TC Invoice Amount	\$2380.00 USD
Invoice Status	C-OK
Taxable	No

3. Create and save a customer credit note using **Customer Invoices**. You need to link the credit note to the invoice that you created in the previous step.

Field	Value
Type	Credit Note
Customer	10C1003, Pacific Health Care Systems
Description	CN 10C1003-1
Daybook Code	CCNM
TC Invoice Amount	\$180.00 USD
Invoice Status Code	C-OK
Taxable	No



Field	Value
Adjustments Subpanel of Main Panel	
Link to Invoice	Choose the invoice you created in step 2. In the field on the left, specify the year. In the field in the middle, specify the daybook for the invoice, which is CIM. In the field on the right, click the lookup and locate the invoice.
Adjustments	CUSTADJ

4. Save the credit note.
5. Review the resulting postings in **Journal Entries**. Search using the daybook and date to find the postings.
6. View the customer invoice using **Customer Invoices**.
7. Run the following reports for the customer invoice:
 - GL Transaction Report
 - GL Transactions Audit Log
 - GL Transactions by Daybook



AR Payments

Create a Payment Format

1. Use **Payment Formats** to create a new payment format.
2. Click **New** to create a new entry. Specify the following values:

Field	Value
Payment Format	US-CUST_CH
Description	Customer Checks US
Module	Accounts Receivable
Payment Type	Both
Payment Instrument	Check
Active	Yes

3. Save your changes.

Create a Bank Account

1. Use **GL Accounts** to create a new bank GL account.

Field	Value
Main Panel	
GL Account	1105
Description	US Bank FF
GL Type	Bank Account
Category	Asset
All other fields	Blank



Field	Value
Posting Panel	
Auto/Manual	Manual
Currency Panel	
Currency	USD

- In the Banking panel, click **New** to record bank account information:

Field	Value
<u>Banking Panel</u>	
Entity Code	10USACO
Default	Yes
Bank Account Format	XX
Own Bank Number	11223344
Business Relation	10-C1003
Bank Daybook Profile	BEUSD
Deduction Daybook Profile	DedDaybookProfile
AP Discount Account	5700
AR Discount Account	4220

- Highlight the new row in the **Banking** grid.
- Above the grid in the Banking panel, click **Bank Payment Format Links**.

The **Bank Payment Format Link** window opens.

Note: You may get a **Record Not Found** warning. This is not relevant since you are creating a new record. Continue with the steps.

- Use **Bank Payment Format Link** to link the newly created payment format *US-CUST_CH* to the current bank account (11223344).



6. In the grid, click **New** to add a row.

Field	Value
Payment Format	US-CUST_CH
Next Pre-Printed Number	1
Bank File Format	USBank

7. Click **Save**.
8. Save the GL bank account record.

Add the Bank Account to Customer Records

Now, you will use **Customers** to add the combination of the payment format *US-CUST_CH* and your current own bank account to the Banking panel of the customer record of *10C1003, Pacific Health Care Systems*.

1. Open the **Customers** browse from the QAD Adaptive UX Search menu.
2. Open the customer record for customer *10C1003, Pacific Health Care Systems*.
3. Go to the Banking panel.
4. Click **New** to add a new row.

Field	Value
Default	Yes
Bank Account Format	XX
Customer Bank Number	PC44590098
Own Bank Account Number	11223344 (Use the lookup)
Payment Format	US-CUST_CH

Note: Before you save, ensure that only one bank number is marked as default for the entity *10USACO*.

5. Click **Save**.



Create Customer Payment Statuses

1. Open **Customer Payment Status** from the QAD Adaptive UX Search menu.
2. Click **New** to create a new record. You need to create the following three records:

Status 1

Field	Value
Payment Instrument	Check
Status	Initial
Bank GL Account	1105
Daybook	<blank>
Customer Payment Account	<blank>

Status 2

Field	Value
Payment Instrument	Check
Status	For Collection
Bank GL Account	1105
Daybook	ARPA
Customer Payment Account	1380

Status 3

Field	Value
Payment Instrument	Check
Status	Paid



Field	Value
Bank GL Account	1105
Daybook	ARPAY
Customer Payment Account	1380

Create a Customer Invoice

1. Use **Customer Invoices** to create and save a customer invoice for customer *10C1003, Pacific Health Care Systems*.

Field	Value
Description	Misc. Items
Daybook	CIM
TC Invoice Amount	1500
Currency	USD
Invoice Status	C-OK
Taxable	No

Create a Payment

1. Open **Customer Payments** from the QAD Adaptive UX Search menu. You will record a check payment of 1500 USD for customer *10C1003*.
2. In the **Customer Payments** browse, click **New**.
3. Enter the following details:

Field	Value
Customer	10C1003
Amount	1500



Field	Value
Currency	USD
Reference	CH001
Status	For Collection

4. Scroll down to the Allocations panel.
5. Specify 1500 in the **Amount** field and click **Search**.
6. In the results grid, select the invoice that you just created.
This step allocates the payment to the invoice.
7. Scroll down to the Totals panel. You see that the **Amount Allocated** is 1500 USD and the remaining balance is zero.
8. Save the payment.
9. Use **Customer Activity Dashboards** to view both the customer invoice and the customer payment.

Change the Status of the Payment

1. Return to the **Customer Payments** browse, and locate and select your payment. (You may need to click the **Search** button.)
2. In the **Actions** menu, select **Mass Changes**.
The **Mass Changes** screen opens.
3. In the **Creation Date** field of the Search Criteria panel, specify the date on which you created the payment (most likely today's date).
4. Click **Search**.
5. Select your payment in the grid.
6. In the **New Status** field of the Options panel, select **Paid**.
7. In the **Options** grid, click **Apply** to apply the new status to the payment.
8. Click **Submit**, then **Close**.
9. Use **Journal Entries** to review the postings generated in the ARPAY daybook.



Deductions

Set Deduction Credit Terms

1. Open the **Domains** browse from the QAD Adaptive UX Search menu.
2. In **Domains**, open the record for *10USA*.
3. In the **Credit Term Deduction** field in the Main panel, specify *30D*.
4. Save your changes.

Specify a Deduction Profile for Customers

1. In **Customers**, open the record for customer *10C1001*.
2. Go to the Accounting Profile subpanel of the Main panel.
3. In the **Control GL (Deduction)** field, clear the current value and specify **ARcontrol3rdparty**.
4. Save your changes.
5. Repeat the previous four steps for customer *10C1003*.

Create Deduction Categories

1. Open the **Deduction Categories** browse from the QAD Adaptive UX Search menu.
2. In **Deduction Categories**, create and save three deduction categories:

Category 1

Field	Value
Deduction Category	Damaged Goods
Description	Deduction due to Damaged Goods
Type	Standard
GL Analysis Account	7600
GL Analysis Sub-Account	HO
Auto Write-Off	No
Expense Daybook	DedDB



Category 2

Field	Value
Deduction Category	Spoilage
Description	Deduction due to Spoiled Goods
Type	Standard
Expense Account	7600
Sub-Account	HO
Auto Write-Off	Yes
Write-Off Limit	5.00
Daybook Expense	DedDB

Category 3

Field	Value
Deduction Category	Late Delivery
Description	Deduction due to Late Delivery
Type	Standard
Expense Account	7600
Sub-Account	HO
Auto Write-Off	No
Daybook Expense	DedDB



Recording Deductions: Create Invoices

1. Create and save the following invoices using **Customer Invoices**:

Invoice 1

Field	Value
Customer	10C1001
Description	Inv 10C1001-10
Daybook	CIM
TC Invoice Amount	\$100.00 USD
Invoice Status	C-OK
Taxable	No

Invoice 2

Field	Value
Customer	10C1003
Description	Inv 10C1003-12
Daybook	CIM
TC Invoice Amount	\$50.00 USD
Invoice Status	C-OK
Taxable	No



Record Payments and Deductions

In this exercise, you are going to record a payment for an invoice and deductions:

1. Use **Customer Payments** to record a check payment of 90 USD for customer *10C1001*.

Field	Value
Customer	10C1001
Amount	90
Currency	USD
Due Date	Set to 40 days beyond the system date to avoid incurring discounts for early payment.
Reference	CH011
Status	For Collection

2. Scroll down to the Allocations panel.
3. In the **Amount** range fields, specify 90 and 100 and click **Search**.
4. Locate customer invoice *Inv 10C1001-10* created earlier. In the grid, select invoice *10C1001-10*.
5. Scroll down to the Totals panel.

You see that the **Amount to Allocate** is 90, the **Amount Allocated** is 100, and the remaining balance is 10.

6. In the Allocations panel, click the **Deduction** button above the grid.

The **Deduction** screen opens.

- a. Specify the following information in the **Deduction** screen:

Field	Value
Main Panel	
Deduction Description	Damage
TC Deduction Amount	10 (grayed out)



Field	Value
Deduction Details Panel	
Deduction Category	Damaged Goods

- b. Click **OK**.

The system adds a new line to the **Allocations** grid.

The deduction line is a customer invoice of type Deduction.

7. Click on the deduction line and click **Details** above the grid.

The **Deduction** screen opens again.

- Go to the Deduction Details panel.
 - Change the deduction amount for the Damaged Goods category to \$7.50.
 - In the **Deduction Details** grid, click **New** to insert a new row.
 - For the new line, specify a deduction category of Late Delivery and a deduction amount of \$2.50.
 - Click **OK** in the **Deduction** screen.
8. Save the payment.
9. Open **Journal Entries** and search for a journal entry with a creation date of today that includes "Damage" in the journal entry description.

Create an Auto Write-Off

In this exercise, you are going to record a payment for an invoice and an automatic write-off:

1. Use **Customer Payments** to record a check payment of 45 USD for customer 10C1003.

Field	Value
Customer	10C1003
Amount	45
Currency	USD
Due Date	Set to 40 days beyond the system date to avoid incurring discounts for early payment.
Reference	CH013



Field	Value
Status	For Collection

2. Scroll down to the Allocations panel.
3. In the **Amount** range fields field, specify 45 and 50 and click **Search**.
4. Locate customer invoice *Inv 10C1003-12* created earlier.
5. In the grid, select invoice *10C1003-12*.
6. Scroll down to the Totals panel. You see that the **Amount to Allocate** is 45, the **Amount Allocated** is 50, and the remaining balance is 5.
7. In the Allocations panel, click the **Deduction** button above the grid.
The **Deduction** screen opens.
 - a. Specify the following information in the **Deduction** screen:

Field	Value
Main Panel	
Deduction Description	Spoilage
TC Deduction Amount	5 (grayed out)
Deduction Details Panel	
Deduction Category	Spoilage
Deduction Status	Auto Write-off (read only)

- b. Click **OK**.
The system adds a new line to the **Allocations** grid.
The deduction line is a customer invoice of type *Deduction*.
8. Click **Save** in **Customer Payments**.
9. Open **Journal Entries** and search for a journal entry with a creation date of today and that includes "Spoilage" in the journal entry description.



Review the Deductions

1. Open the **Deductions** browse from the menu search.
2. Select the line with the category *Late Delivery* and the deduction amount of \$2.50.
3. Double-click the line to open it.

The **Deductions** detail screen opens.

- a. In the **Deductions** detail screen, locate the **Deduction Status** field on the right of the Main panel.

The **Deduction Status** field currently shows a status of **Pending**.

- b. Click on the field and select a new status of **Approved for Credit**.
 - c. Save the change.
4. In the **Deductions** browse, select the line with the category *Damage* and the deduction amount of \$7.50.
 5. Double-click the line to open it.

The **Deductions** detail screen opens.

- a. In the **Deductions** screen, locate the **Deduction Status** field on the right of the Main panel.

The **Deduction Status** field currently shows a status of **Pending**.

- b. Click on the field and select a new status of **Approved for Write-Off**.
- c. Save the change.

Adjust a Credit Note against a Deduction

1. Use **Customer Invoices** to create and save the following credit note:

Field	Value
Type	Credit Note
Customer	10C1001
Description	CN 10C1001-19
Invoice Type	Credit Note
Daybook	CCNM
TC Invoice Amount	\$2.50 USD
Invoice Status	C-OK



Field	Value
Taxable	No

2. Open the **Open Item Adjustments** browse from the search menu.
3. Click **New** to create a new adjustment.
4. Enter the following search details:

Field	Value
Main Panel	
Posting Date	Current date (or whenever you created the credit note)
Daybook	CUSTADJ
Adjustments Panel	
Customer/Supplier	10C1001
Invoice Posting Date	Today (or the date on which you performed the rest of the deduction steps in this section, if it was not today)

4. Click **Search**.
Two lines display in the grid, one for a deduction of \$2.50 and another for a credit note of \$2.50.
5. In the grid, select the **Full Adjustment** field for both lines.
6. Save your changes.
7. In **Journal Entries**, review the transactions. Search using a daybook of *CUSTADJ* and the current date.



Reporting

Set Up the Trial Balance Browse

A trial balance includes a list of all general ledger account totals. Each account should include an account number, description of the account, and its debit/credit balance. To view this important information in Web UI, you must first create your own Stored View because there are no system defaults available.

When you open the **Trial Balance** browse, a message is displayed on first use: "The 'GL Period From' filter is mandatory. To create the view:

1. Add two filters to the search criteria
 - a. **Entity Code** (Make the entity equal to the current entity)
 - b. **Year/GL Period** (Add a range for the current year up to and including the current month).
Note Each month that you run the trial balance, you will need to update the range so that the latest month is included.
2. Click **Search**.
3. Change the value of the **Records per page** field at the bottom to 2000.
Note This is the maximum number of records you can display on each page.
4. For meaningful grouping by GL account sub-total:
 - a. Open the **GL Account** column header menu and select **Group By Column**.
 - b. Open the **BC Balance** column header menu and select **Summary > Sum**.

Your screen should now look something like this:

Entity Code	GL Account	GL Description	Sub-Account	Project	Cost Center Code	Daybook	BC Opening Balance	BC Period Debit	BC Period Credit	BC Balance
GL Account: 1100 (4) Sum BC Balance: 613,121,992.67										
GL Account: 1300 (24) Sum BC Balance: 3,543,778.52										
GL Account: 1380 (10) Sum BC Balance: 0.00										
GL Account: 1405 (1) Sum BC Balance: 181.92										
GL Account: 1420 (2) Sum BC Balance: -852,213.42										
GL Account: 1450 (3) Sum BC Balance: 70.00										
GL Account: 1500 (220) Sum BC Balance: 7,469,210.67										
GL Account: 1510 (3) Sum BC Balance: 211,745.90										
GL Account: 1550 (210) Sum BC Balance: -10,325.65										
GL Account: 1600 (1) Sum BC Balance: 6,000.00										



To save the view:

5. Select the **Views** menu and click **Save As**.
 - a. In the **Save Stored View As** window, give your view a meaningful name.
 - b. On the **Browse Load** panel, set the **Records per page** field value to 2000.
 - c. On the **Browse Search** panel, select the **Include Search Criteria** field.
 - d. Click **Save**.
6. Open the **Trial Balance** browse again to verify that your view has been saved and it is displayed as the default view.

Important You can use **GL Transactions Detail** to drill down into the details for any GL account and its transactions. However, the default criteria from the browse are not carried over into **GL Transactions Detail** so you must add the Year/GL Periods search criteria each time you drill down.



Supplier Setup

In this exercise, you will set up invoice status codes required for AP processes.

Create Invoice Status Codes

1. Open the **Invoice Status** browse from the search menu.
2. Click **New** to create the following new invoice status codes:

Invoice Status 1

Field	Value
Invoice Status	To-Approve
Description	To-Approve
Lock Payment	Yes
Invoice Approved	No
Allocation Status	Transient Allocation

Invoice Status 2

Field	Value
Invoice Status	RM-Blocked
Description	Receiver Matching, Payment Blocked
Lock Payment	Yes
Invoice Approved	Yes
Allocation Status	Allocation
Receiver Matching	Yes



Purchasing Process

In order to demonstrate an end-to-end Procure-to-Pay accounts payable flow, in this exercise, you will start by creating purchase orders and then receive the orders.

1. Open **Purchase Orders** from the menu search.
2. Create the following purchase order:

PO 1

Field	Value
Main Panel	
Supplier	10S1005, Absolute Electronics Company
Ship-To	10-100 (defaults in)
Site	10-100 (defaults in)
Order Options Subpanel, Main Panel	
Taxable	No

- a. In the Order Lines panel, click **New** to add a new line.

Field	Value
Order Lines Panel	
Line	1 (defaults in)
Site	10-100 (defaults in)
Item Number	02002
Quantity Ordered	100
Unit Price	5

- b. Click **Done** on the order line.
- c. Save your changes.



3. Create the second purchase order:

PO 2

Field	Value
Main Panel	
Supplier	10S1003, Heron Surgical Supply
Ship-To	10-100
Site	10-100
Order Options Subpanel, Main Panel	
Taxable	No

- a. In the Order Lines panel, click **New** to add a new line. Record a memo item costing \$250.

Field	Value
Order Lines Panel	
Line	1 (defaults in)
Site	10-100 (defaults in)
Item Number	memo
Quantity Ordered	1
UM	EA
Unit Price	250

- b. Click **Done** on the order line.
- c. Save your changes.
3. Return to the **Purchase Orders** browse and search using an order date of today (or the date on which you created the purchase orders, if not today).



You will proceed to receive the orders. This step is performed using an action in the **Purchase Orders** screen.

4. Select the first purchase order that you created.
5. In the **Actions** menu, choose **Receive Order**.

The **Receive Order** screen opens.

You are going to receive the full quantity, and then submit the receipt.

- a. In the Main panel, select the **Receive Full Quantity** field.
- b. In the Lines panel, click **New**.
- c. In the **Line** field of the new grid entry, click the lookup and select your PO line (100 of item 02002).
- d. Click **Submit**.

You see a **Receipt Successful** message stating that your purchase order line has been received.

- e. Click **OK**.
6. Repeat the receiving process for the other purchase order (it has a quantity of 1).

Both purchase orders have now been received.

The purchase order receipt triggers multiple updates in the system such as:

- Increasing the item inventory
- Creating GL transactions
- Creating pending receiver matching records

Pending receiver matching records will be used later during the supplier invoice creation and receiver matching processes, as you will see in the next section.

Create Supplier Invoices and Receiver Matching

Once the purchase order receipt has been completed, you are ready to create supplier invoices. You are going to create two supplier invoices and match them to the purchase orders.

1. Use **Supplier Invoices** to create a supplier invoice for the received materials (item 02002).

Field	Value
Main Panel	
Supplier	10S1005, Absolute Electronics Company
Purchase Orders	Number of your first purchase order (use the field lookup and search using the order date)



Field	Value
TC Invoice Amount	495 100 * 4.95 (price variance of 0.05)
Reference	INV1-PO1
Taxable	No
Daybook	SINV (defaults from daybook set)
Invoice Status Panel	
Invoice Status	RM-INIT

2. Review the other available panels.
3. Click the **Matching** button. The **Receiver Matchings** screen opens.
 - a. In the **Receiver Matchings** window, click the **Search** button in the Matching Lines panel to retrieve details on your first purchase order. (The PO number is copied to the **Orders** field in **Receiver Matchings** from the **Purchase Orders** field on the supplier invoice.)
 - b. The order line is displayed in the grid and automatically selected.
 - c. In the Matching Detail panel, notice that there is a difference of 5 USD between the PO amount and the invoice amount due to the price variance on the invoice.
 - d. On the receiver matching line grid, update the value in the **Matched Unit Price** field to 4.95.
 - e. Tab out of the field.
 - f. In the Matching Detail panel, the **Difference** field is updated to 0 (zero).
 - g. Click **Save** to save the receiver matching record and the invoice.
 - h. Click **Close** in the **Receiver Matchings** screen.

You return to the Supplier Invoices screen and see that the invoice status has been changed to RM-OK2PAY, the taxes have been calculated, and the receiver matching lines appear in the Lines panel.



4. Create a second supplier invoice using **Supplier Invoices** for the received memo item.

Field	Value
Main Panel	
Supplier	10S1003, Heron Surgical Supply
Purchase Orders	Number of your first purchase order (use the field lookup and search using the order date)
TC Invoice Amount	250
Reference	INV1-PO2
Taxable	No
Daybook	SINV (defaults from daybook set)
Invoice Status Panel	
Invoice Status	RM-INIT

5. Review the other available panels.
6. Click the **Matching** button. The **Receiver Matchings** window opens.
- In the **Receiver Matchings** window, click the **Search** button in the Matching Lines panel to retrieve details on your first purchase order. (The PO number is copied to the **Orders** field in **Receiver Matchings** from the **Purchase Orders** field on the supplier invoice.)
 - Match the receipt with the invoice. Accept the defaults in the receiver matching line. No changes are required.
 - Click **Save** to save the receiver matching record and the invoice.
 - Click **Close** in the **Receiver Matchings** screen.
7. Use **Supplier Invoices** to review the invoices after the matching.
8. Use **Journal Entries** to review the GL postings created by the invoice and the matching.
9. Try changing the columns selected and the order of the columns to tailor the view to your needs.



AP Process

Purchasing—Alternative Flows

In this exercise, you will practice how to:

- Process a supplier invoice for goods received.
- Create a receiver matching.
- Create a reversal/replacement of a supplier invoice/receiver matching.

Create a Purchase Order

1. Use **Purchase Orders** to create a purchase order.

Field	Value
Main Panel	
Supplier	10S1005, Absolute Electronics Company
Ship-To	10-100
Site	10-100
Order Options Subpanel, Main Panel	
Taxable	No

2. In the Order Lines panel, click **New** to add a new line.

Field	Value
Order Lines Panel	
Line	1 (defaults in)
Site	10-100 (defaults in)
Item Number	02002
Quantity Ordered	50
Unit Price	5



3. Click **Done** on the order line.
4. Save your changes.

Receive the Order

1. In the **Actions** menu of the purchase order, choose **Receive Order**.
The **Receive Order** screen opens.
2. In the Main panel, select the **Receive Full Quantity** field.
3. In the Lines panel, click **New**.
4. In the **Line** field of the new grid entry, click the lookup and select your PO line (50 of item 02002).
5. Click **Submit**.
You see a **Receipt Successful** message stating that your purchase order line has been received.
6. Click **OK**.

Create a Supplier Invoice

1. Use **Supplier Invoices** to create a supplier invoice for the received materials.

Field	Value
Main Panel	
Supplier	10S1005, Absolute Electronics Company
Purchase Orders	Number of your purchase order (use the field lookup and search using the order date)
TC Invoice Amount	247.50 50 * 4.95 (price variance of 0.05)
Reference	PO1-R
Taxable	No
Daybook	SINV (defaults from daybook set)
Invoice Status Panel	
Invoice Status	RM-INIT (defaults in)



2. Review the other available panels.
3. Click the **Matching** button. The **Receiver Matchings** window opens.
4. In the **Receiver Matchings** window, click the **Search** button in the Matching Lines panel to retrieve details on your purchase order. (The PO number is copied to the **Orders** field in **Receiver Matchings** from the **Purchase Orders** field on the supplier invoice.)
The order line is displayed in the grid and automatically selected.
5. In the Matching Detail panel, notice that there is a difference of 2.50 USD between the purchase order amount and the invoice amount due to the price variance on the invoice.
6. On the receiver matching grid line, update the value in the **Matched Unit Price** field to 4.95 and press the **Tab** key.
The **Difference** field is updated to 0 (zero).
7. Click **Save** to save the receiver matching record and invoice.
8. Click **Close**.

Reverse and Replace the Invoice

At this point, you realize that there was something wrong with the invoice that you just created; for example, the price was incorrect, but it is too late to correct it. You need to:

- Create an adjustment invoice or credit note with the same amount as the incorrect invoice, but with a negative value.
- Net the incorrect invoice and credit note together using Open Item Adjustments.
- Create the correct invoice.

Fortunately, you can do all these tasks using an automated **Reverse** (and replace) action in **Supplier Invoices**, which saves you a lot of time.

1. In the **Supplier Invoices** browse, locate the incorrect invoice that you just created and matched.
2. Click the invoice line to highlight it. In the **Actions** menu, choose **Reverse**.

The **Reverse** screen opens.

- a. Use the **Reverse** screen to reverse the invoice. Ensure that the **Create Replacement** field is selected.
- b. Click **Submit**.

A warning message prompts you to create a correction document that completely reserves the original invoice.

- c. Click **Yes**.

You will see an **Invoice Reversed Successfully** message in the top right corner of the screen.

A **Supplier Invoices** screen opens with the replacement invoice.



- d. In the replacement invoice, change the value in the **TC Invoice Amount** field to 250.
The system displays a warning message about the impact of changing this value.
- e. Click **Yes** in the warning message.
- f. Specify a new value in the **Reference** field.
- g. Save the replacement invoice.

When you return to the main Supplier Invoices browse, you see that three invoices were created: the original invoice and a reversing credit note, which are both closed, plus the newly created replacement invoice.

Following the purchase order to invoice and allocation flows, you will now learn how AP payments are processed in QAD Financials.

AP Payment—Prepayment

In this exercise, you will create and process supplier prepayments.

Create a Supplier Invoice

1. Create the following invoice using **Supplier Invoices**.

Field	Value
Main Panel	
Supplier	10S1005, Absolute Electronics Company
Purchase Orders	Blank
TC Invoice Amount	1000
Reference	AEC-1
Taxable	No
Daybook	SINV (defaults from daybook set)
Invoice Status Panel	
Invoice Status	OK2PAY Important: Ensure that you change the default value of RM-INIT to OK2PAY



2. Save your invoice.

Create the Prepayment

1. Open **Supplier Payments** from the menu search. You are going to create a payment for your invoice using **Supplier Payments**.
2. In the **Supplier Payments** browse, click **New** to create a payment.

Field	Value
Main Panel	
Supplier	10S1005, Absolute Electronics Company
Amount	1500
Reference	Prepayment AEC-1
Status	For Collection

3. Scroll down to the Allocations panel.
 - a. Specify 1000 to 1500 in the **Amount** range fields and click **Search**.
The results grid is populated.
 - b. In the results grid, select the invoice that you just created. This step allocates the payment to the invoice.
4. Scroll down to the Totals panel. You see that the **Amount Allocated** field displays 1000 USD and the remaining balance is 500.
5. Return to the Allocations panel and click the **Prepayment** button above the grid.
The **Prepayment** screen opens.
 - a. Specify the following information in the **Prepayment** screen:

Field	Value
Main Panel	
Invoice Description	Prepayment
TC Prepayment Amount	500 (already populated)



- b. Click **OK**.

The system returns to the **Supplier Payments** screen and has added a new line to the **Allocations** grid.

The line is a supplier invoice of type *Prepayment*.

7. Save the payment.
8. Use **Journal Entries** to review the GL postings created by **Supplier Payments**. Use daybook *APPAY*.

AP Payment Selection

In this exercise, you will:

- Create and confirm an AP payment selection
- Print a check.

Create an Invoice

1. Create the following invoice using **Supplier Invoices**.

Field	Value
Main Panel	
Supplier	10S1005, Absolute Electronics Company
Purchase Orders	Blank
TC Invoice Amount	2500
Reference	AEC-2
Taxable	No
Daybook	SINV (defaults from daybook set)
Invoice Status Panel	
Invoice Status	OK2PAY Important: Ensure that you change the default value of RM-INIT to OK2PAY

2. Save your invoice.



Create a Payment Selection

One of the methods used to pay supplier invoices is payment selection. By creating a supplier payment selection, you can submit a payment file to order wire transfers to your bank using bank drivers or you can print checks.

1. In **Supplier Payment Selections**, create the following payment selection:

Field	Value
<u>Main Panel</u>	
Payment Selection	PaySel1
<u>Bank Panel</u>	
Bank GL Account	1100 (press Tab)
Payment Format	CHECK-AP (defaults after you tab)
Own Bank Number	55667342 (defaults after you tab)

2. In the Selection Lines panel, click the **Add Invoices** button above the grid.
3. Use the **Search** and **Clear** buttons to experiment with various selection criteria. Finally, select one invoice for each of the following suppliers:
 - Supplier 10S1004, Sungro Chemicals
 - Supplier 10S1002, Bridgeville Industries
 - Supplier 10S1005, Absolute Electronics Company
4. Click **OK**.
5. Click **Close**.

Confirm the Payment Selection

1. In the **Actions** menu of **Supplier Payment Selections**, choose **Confirm** to post payment selection *PaySel1*.
The **Confirm** window opens.
2. Click **Confirm**.
You see a message stating that results will be sent to your QAD Adaptive UX Inbox.



3. Click **Close**.
4. Open the QAD Adaptive UX Inbox and click on the **Notifications** tab.
There should be a **Background Processing** message related to the confirmation of the payment selection.
5. Click **View Inbox**. More details open and you can see that the confirmation of the payment selection was successful.
6. Use **Supplier Checks** to print the checks for the payment selection.
7. Specify a bank payment format of *55667342 CHECK-AP #100*, creation date of today, and a print type of **Test Print**.
8. Click **Run** to run the report.

The **Confirm** action in **Supplier Payment Selections** creates multiple transactions in Financials. Among them, supplier payments are created. In this scenario, the payments are created with the status For Collection.

For Collection means that payments are in process, but they have not been charged to your bank account yet. It could be that, for example, you are sending an EDI file to your bank to order wire transfers, but there will be a time delay before the transfers are reflected on your bank statement.

Once you obtain confirmation from your bank, you need to change the payment status from For Collection to Paid.

You can receive a bank statement electronically and upload it through inbound bank drivers using the **Bank Statements** functionality to automatically perform the payment status change so that the amounts are reflected on the bank account balance. You can also manually enter bank statements and manually allocate these payments as supplier payments.



Bank Statements

In this exercise, you will practice creating bank statements and allocating bank statement lines. Use bank account: GL 1100 Current Bank account USD

Important Prerequisite: Bank Statement lines 2 and 7 in the table for this exercise are based on the assumption that you have loaded the Financials Fundamentals seed invoice transactions for 10USA and 11CANCO using **Customer Opening Balance Excel Integration**. The load files are included in the .zip file of slides for this course.

1. Open **Bank Statements** from the menu search.
2. In the **Bank Statements** browse, click **New**.
3. In the **GL Account** field, specify account **1100**.
4. Press **Tab**.

The other fields in the Main panel are populated. A new line is added to the **Statement Lines** grid, by default.

5. Add a line to the grid for each of the corresponding transaction lines in the table in this exercise and specify the line details.

Note: Change the **In/Out** indicator to indicate whether the transaction is incoming to the company's bank account or outgoing.

6. Click the relevant **Allocation** button above the **Statement Lines** grid to allocate each line to an invoice, payment, or GL account, as indicated by the information in the exercise table.

Note: Amounts in bold are subtotals.

	Description	Curr	Amount	Allocation
			0.00	
1	Cash Withdrawal	USD	-1,000.00	Funding Petty Cash against GL 1670
			-1,000.00	
2	Incoming Customer Transfer	USD	10,000.00	Customer 10C1001 / 7100 USD + Prepayment
			9,000.00	
3	Outgoing Payment	USD	-900.00	Supplier 10S1001 Prepayment
			8,100.00	



	Description	Curr	Amount	Allocation
4	Undocumented Payment	USD	-250.00	to GL 1670
			7,850.00	
5	Bank Charges	USD	-50.00	to P/L Account 7700
			7,800.00	
6	Correction	USD	250.00	to GL 1670
			8,050.00	
7	Incoming Customer Transfer	USD	3,575.00	Customer 10C3000 (all Entities/all Invoices)

7. Verify the banking entries in **Journal Entries**.



Netting and Open Item Adjustments

In this exercise, you will:

- Net invoices and credit notes for the same customer.
- Net invoices and credit notes against a GL account.
- Net invoices and credit notes for the same business relation.

Important Prerequisite: This exercise is based on the assumption that you have loaded the Financials Fundamentals seed invoice transactions using **Customer Opening Balance Excel Integration** and **Supplier Opening Balance Excel Integration**. The load files are included in the .zip file of slides for this course.

1. Access **Open Item Adjustments** from the menu search.
2. Click **New** to create a new adjustment. You need to create three separate (new) adjustments for this exercise.

Adjustment a. Create adjustments for customer *10C1005, Rockland Industrial Company* (daybook *CUSTADJ*).

- An invoice of value \$60.20 USD (full adjustment, new balance = \$0).
- An invoice of value \$712.10 USD (partial adjustment, new balance = \$447.30 USD).
- A credit note of value \$325.00 USD (full adjustment, new balance = 0).

Adjustment b. Create adjustments for supplier *10S1005, Absolute Electronics Company* (daybook *SUPADJ*).

- An invoice of value \$200.00 USD (full adjustment, new balance = 0).
- A credit note of value \$391.50 USD (full adjustment, new balance = 0).
- Balance of \$191.50 USD to account 1670.

Adjustment c. Create adjustments for business relation *Auto-Plas International* (22-CS1000, daybook *SUPADJ*) as follows:

Important: Click both the **Include Customers** and **Include Suppliers** fields in the Adjustments panel.

- Customer 22C1000: An invoice of value \$205.00 USD (full adjustment, new balance = 0).
- Supplier 22S1000: An invoice of value \$345.00 USD (partial adjustment, new balance = \$140.00 USD).

3. Verify the results using **Open Item Adjustments**.



GL Open Item Reconciliation

Important Prerequisite: This exercise is based on the assumption that you have loaded the Financials Fundamentals seed journal entry transactions using **Journal Entries Excel Integration**. The load file is included in the .zip file of slides for this course.

Create Journal Entries for GL Open Item Account

In this exercise, you will use an open item account to create a journal entry with a new allocation status, **Allocate Later**.

Complete the following steps:

1. Create a journal entry with the **Allocate Later** status. Open **Journal Entries** and specify the following values:
 - **Daybook:** TRAJE
 - **Posting Date:** Today
 - **Description:** Holiday Fee Provision
2. Choose GL account 4900 and set **TC Credit** = 386.00.
A sub-line will appear with the allocation status set to **Allocate Later**.
3. Balance the posting by choosing GL Account 2465 with **TC Debit** = 386.00.
4. Click **Save**.

Reconcile Unallocated Transactions on a GL Open Item Account

In **GL Open Item Accounts**, you can reconcile postings with the status **New Open Item, Linked to Open Item**, or **Allocate Later**. In this exercise, you will:

Verify the status of the postings:

- Reconcile open items with the **Allocate Later** status to an existing allocation key, *Vpay*.
- View the journal entry after reconciliation.
- View the balance of the allocation key.
- View the activity on the allocation key.
- Verify the journal entry before reconciliation.

1. In **GL Open Item Accounts**, select account 4900.
2. In the **Actions** menu, select **Reconcile**.

The **Reconcile** screen opens.

3. Click **Search**.

Select the journal entry for 110 USD.

- a. Verify that the posting has been linked to the allocation key *Vpay*.



- b. Select the journal entry for 140 USD.
- c. Verify that the posting has not been linked to an allocation key.
- d. In the Reconciliation Criteria panel:
Set the **New Allocation Status** field to **Link to Open Item**.
Set the **New Allocation Key** field to **Vpay**.
- e. Click **Reconcile**.
4. Open **Journal Entries** to verify the journal entry after reconciliation.
5. Select the journal entry with the description *Jan Vacation Pay - Marcie*. Verify that it has been linked to the allocation key *Vpay*.
6. Open **GL Open Item Accounts**, select the line for account 4900, and choose the **Reconcile** action.
The **Reconcile** screen opens.
7. Specify the GL calendar year and allocation key *Vpay*.
8. Click the **Search** button.
9. Verify that the lines with the allocation key have an overall BC balance of -250.00.

Transfer a Transient Posting

In this exercise, you will transfer the transient posting created in exercise 1 to the official layer. Then, you will verify the balance of the allocation key.

1. Open **Journal Entries** and search for the posting to transfer:
Daybook: TRAJE
Specify the relevant posting date.
2. Click the **Search** button.
3. Select the journal entry.
4. Select the **Mass Layer Transfer** action from the **Actions** menu.
The **Mass Layer Transfer** screen opens.
 - a. In the search criteria, specify the following:
 - **Year/GL Period** range: Specify the year and GL period for which you created the transaction posting in the first exercise.
 - **Daybook:** TRAJE
 - **Target Daybook:** JE
 - b. Click **Search**.
The posting is displayed in the grid in the Journal Entries panel and selected.
 - c. Click **Submit** to transfer the posting to the official layer.
 - d. Click **Close**.



5. Open **GL Open Item Accounts**, select the line for account 4900, and choose the **Reconcile** action.
The **Reconcile** screen opens.
 - a. Specify a posting date of today, do not specify an allocation key, and click the **Search** button.
 - b. Select the journal entry for 386 USD.
 - c. Verify that the posting has not been linked to an allocation key.
 - d. In the Reconciliation Criteria panel:
Set the **New Allocation Status** field to **Link to Open Item**.
Set the **New Allocation Key** field to **Vpay**.
 - e. Click **Reconcile**.
6. In **GL Open Item Accounts**, select the line for account 4900 again, and choose the **Reconcile** action.
The **Reconcile** screen opens.
7. Specify the allocation key **Vpay**.
8. Click the **Search** button.
9. Verify that the lines with the allocation key have an overall BC balance of -636.00.

Reconcile Allocated Transactions on a GL Open Item Account

In this exercise, you will reconcile a transaction from one allocation key to another.

1. In **GL Open Item Accounts**, select the line for account 4900 again, and choose the **Reconcile** action.
The **Reconcile** screen opens.
 - a. Specify a posting date range that covers the posting dates you used when you loaded the transactions for this exercise.
 - b. Select the Include Closed Items field.
 - c. Click the **Search** button.
 - d. Select the posting with **BC Debit = 400.00**.
 - e. In the Reconciliation Criteria panel:
Set the **New Allocation Status** field to **Link to Open Item**.
Set the **New Allocation Key** field to **Bonuses**.
 - d. Click the **Reconcile** button.
2. In **GL Open Item Accounts**, select the line for account 4900 again, and choose the **Reconcile** action.
The **Reconcile** screen opens.



3. Specify the allocation key *Bonuses*.
4. Click the **Search** button.
5. Verify that the line with the allocation key has a balance of 0.00 and has been closed.

Initialize a GL Open Item Account

In this exercise, you will modify a standard account to be an open item account, and then allocate all of the existing postings to an allocation key using the Initialize action in **GL Open Item Accounts**.

Change the GL Account Type

1. Open **GL Accounts**.
2. In the browse, specify GL account 4901 and click the **Search** button.
3. Double-click GL account 4901 to open the detail form.
4. In the Main panel, change the **GL Type** from *Standard Account* to *Open Items Account*.
5. Save the change.

Initialize Action

1. In **GL Open Item Accounts**, select the line for account 4901, and choose the **Initialize** action. The **Initialize** screen opens.
2. Specify the following values:
 - **Start Date** and **End Date**: Specify a posting date range that covers the posting dates you used when you loaded the transactions for this exercise.
 - **Posting Daybook**: JE
 - **Currency**: USD
 - **Allocation Key**: Legal Bonuses
3. Click the **Initialize** button.
You will see a **Process OK** message in the top right corner of your screen.
4. Open **Journal Entries** to verify the existing journal entry after initialization.
Description: *Extra Legal Bonus - Jan*
5. Click the **Search** button.
6. Select the posting and double-click to open it.
7. Go to the Posting Lines panel and expand the line for GL account 4901.
8. Verify the line has an allocation status of **Link to Open Item** and an allocation key of *Legal Bonuses*.



Create GL Accounts

1. Open **GL Accounts** from the menu search.
2. Click **New** to create each new account record.
3. Create the following GL accounts:

The **GL Accounts** field names are listed in the leftmost column.

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

Accounts to Create - Part 1

Main Panel					
GL Account	1000	1250	1506	1675	2100
GL Description	Petty cash USD	Current Bank GBP	Sundry Inventory	Sundry transfers	Suppliers Exp notes
GL Type	Cash	Bank	Inventory	Open items	Supplier control
System Type					
Active	Yes	Yes	Yes	Yes	Yes
Budget Group					
Budget Enabled	Yes	Yes	Yes	Yes	Yes
Category	Asset	Asset	Asset	Asset	Liability
Postings Panel					
Balance/P&L	Balance	Balance	Balance	Balance	Balance
Debit/Credit	Debit	Debit	Debit	Debit	Credit
Auto/Manual	Manual	Manual	Auto	Manual	Auto
Intercompany Account	No	No	No	No	No
Fixed Intercompany					



GL Account Unit of Measure					
Currency Panel					
Base Currency Only					
Currency Code	USD	GBP			
Revaluation GL					
TC Revaluation in BC	None	Revaluation Rate	None	None	None
Rate Type for Revaluation in BC					
TC Revaluation in SC	None	Revaluation Rate	None	None	None
Rate Type for Revaluation in SC					
Consolidation Method	Current exchange rate	Current exchange rate	Current exchange rate	Current exchange rate	Current exchange rate
Exchange Rate Type					
Analysis Panel					
Sub-Account Analysis	No	No	No	No	Yes
Default Sub-Account					DefSubAct
Cost Center Analysis	No	No	No	No	No
Project Analysis	No	No	No	No	No
Analysis Limitation	None	None	None	None	None
Default Cost Center					



Default Project					
Default SAF Structure					
SAF Analysis	No	No	No	No	No
SAF Structure Code					
Report Link Panel					
GL Account					
Shared Set Code					
GL Description					
Banking Panel					
Entity Code		10USACO			
Default		Yes			
Bank Format		XX			
Bank Account No		99887766			
Business Relation Code					
Active		Yes			
SWIFT Code					
Branch					
Own GL Account					
Banking Daybook Profile		BEGBP			
Deduction Daybook Profile		DedDaybook Profile			
AP Discount Account	5700	5700			
AR Discount Account	4220	4220			



Cash Panel					
Cash Recv Daybook Profile	CASHIN				
Cash Paid Daybook Profile	CASHOUT				

Accounts to Create - Part 2

Main Panel				
GL Account	2402	2525	4050	7100
GL Description	Sundry sales tax	PO receipt non inventory	Sundry sales	Training expenses
GL Type	Tax	System	Standard	Standard
System Type		PO receipt		
Active	Yes	Yes	Yes	Yes
Budget Group				
Budget Enabled	Yes	Yes	Yes	Yes
Category	Liability	Liability	Income	Expense
Postings Panel				
Balance/P&L	Balance	Balance	P&L	P&L
Debit/Credit	Credit	Credit	Credit	Debit
Auto/Manual	Manual	Auto	Manual	Manual
Intercompany Account	No	No	Yes	Yes
Fixed Intercompany			10-USA-CO	10-USA-CO



Quantity	No	No	No	Yes
GL Account Unit of Measure				HRS
Currency Panel				
Base Currency Only				
Currency Code				
Revaluation GL				
TC Revaluation in BC	None	None	None	None
Rate Type for Revaluation in BC				
TC Revaluation in SC	None	None	None	None
Rate Type for Revaluation in SC				
Consolidation Method	Current exchange rate	Current exchange rate	Current exchange rate	Current exchange rate
Exchange Rate Type				
Analysis Panel				
Sub-Account Analysis	No	No	Yes	Yes
Default Sub-Account			DefSubAct	DefSubAct
Cost Center Analysis	No	No	Yes	Yes
Project Analysis	No	No	Yes	Yes
Analysis Limitation	None	None	Excluding each Other	Excluding each Other



Default Cost Center			Adm	Adm
Default Project				
Default SAF Structure			Sales	
SAF Analysis	No	No	No	No
SAF Structure Code				
Report Link Panel				
GL Account				
Shared Set Code				
GL Description				
Banking Panel				
Entity Code				
Default				
Bank Format				
Bank Account No				
Business Relation Code				
Active				
SWIFT Code				
Branch				
Own GL Account				
Banking Daybook Profile				
Deduction Daybook Profile				
AP Discount Account	5700	5700		



AR Discount Account	4220	4220		
Cash Panel				
Cash Recv Daybook Profile	CASHIN			
Cash Paid Daybook Profile	CASHOUT			



Revaluation

In this exercise, you will:

- Verify the parameters for revaluation.
 - Simulate the revaluation.
 - Execute and post the revaluation.
1. Use **GL Accounts** to review the parameters of the following accounts. If needed, modify the parameters using **GL Accounts**:
 - *Unrealized Exchange Loss (9900)*
 - *Unrealized Exchange Profit (8900)*
 - *Accounts Payable control account (2000)*
 2. Use **Supplier Invoices** to create the following supplier invoices in foreign currency:

Invoice 1:

Field	Value
Main Panel	
Supplier	20S1002, Pharmaceutical Chemical Supply
Purchase Orders	Blank
TC Invoice Amount	100,000
Currency	EUR
Reference	Reval1
Taxable	No
Daybook	SINV (defaults from daybook set)
Inv Date	Specify a date in the middle of the current period.
Posting Date	Specify a date in the middle of the current period.
Currency Details Subpanel	



Field	Value
BC Exchange Rate	1.3
Invoice Status Panel	
Invoice Status	OK2PAY

Invoice 2:

Field	Value
Main Panel	
Supplier	30S1002, Tabu Power Cord Co.
Purchase Orders	Blank
TC Invoice Amount	1,000,000
Currency	CNY
Reference	Reval2
Taxable	No
Daybook	SINV (defaults from daybook set)
Inv Date	Specify a date in the middle of the current period.
Posting Date	Specify a date in the middle of the current period.
Currency Details Subpanel	
BC Exchange Rate	0.125
Invoice Status Panel	
Invoice Status	OK2PAY

3. Use **Exchange Rates** to create REVALUATION exchange rates.



Exchange Rate 1:

From USD to CNY

Valid from the last date of the current period: 9 (1 USD = 9 CNY / 1 CNY = 0.111111 USD)

Exchange Rate 2:

From USD to EUR

Valid from the last date of the current period: 0.740741 (1 USD = 0.740741 EUR / 1 EUR = 1.35 USD)

4. In the **Revaluations** browse, click **New** and enter the following data for the revaluation of supplier open items.

Field	Value
Main Panel	
Simulate For	Current Entity
GL Calendar Year	Current year
Period	Current period
Search Criteria Panel	
Source Layer 1	Primary
Target Layer	Primary
Include Base Currency	Yes
Revaluation Area Subpanel	
Supplier Open Items	Yes
Supplier Payments	No
Balance Sheet Accounts	No
Customer Open Items	No
Customer Payments	No



Field	Value
Profit and Loss Accounts	No

5. Click **Save** to retrieve the revaluations results. The results are sent to your Inbox.
6. Use the **Revaluations** report to print the revaluation report for the simulation and verify that the correct revaluation rates have been used.
7. Return to the **Revaluations** browse, locate your revaluation simulation, and select it.
8. In the **Revaluations** browse, select **Post** from the **Actions** menu.
The **Post** screen opens.
9. In the **Post** screen, click **Submit** to post the revaluation of Accounts Payable (Supplier Open Items) as of the last date of the current period.
Note If you receive an error message regarding missing exchange rates, you can address this by creating the relevant REVALUATION exchange rate in **Exchange Rates**.
10. Use **Journal Entries** to check the postings in the revaluation daybook (*Suppreva*) for supplier open items.



Journal Entry Basics

1. Use **GL Layers** to create a new accounting layer of type *Transient*.

Field	Value
Main Panel	
Layer	TR-accrual
Description	TR-accrual
Layer Type	Transient
Active	Yes

2. Use **Daybooks** to create a new daybook linked to the transient layer *TRaccrual* and controlled by Financials.

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

Note: From now on, use the daybook *JETRANS* in transactions, unless another daybook is specified.

3. Use **Journal Entries** to create a journal entry for accruals at the end of the current GL period. The posting lines are as follows:



GL Account	GL Description	Sub-Account	Cost Center	Amount	DR/CR
7000	Travel Expense	Gserv	Adm	\$10,000 USD	DR
7010	ICT Expense	Gserv	Adm	\$900 USD	DR
7200	Repair & Maintenance	Gserv	Adm	\$1,100 USD	DR
2470	Accrual Account			\$12,000 USD	CR

JE Templates

In this exercise, you will:

- Create standard transactions.
- Create and use templates.

1. Use **Journal Entries** to create a standard transaction:

Use the Template daybook, which is linked to the transient layer code *Trans-template*.

In the Posting Template subpanel, select the **Save as Template** field and specify the template code *ACCR-M001*.

2. In the journal entry grid, enter the following accrual posting lines:

GL Account	GL Description	Sub-Account	Cost Center	Amount	DR/CR
7000	Travel Expense	Gserv	Adm	\$10,000 USD	DR
7010	ICT Expense	Gserv	Adm	\$900 USD	DR
7200	Repair & Maintenance	Gserv	Adm	\$1,100 USD	DR
2470	Accrual Account			\$12,000 USD	CR

3. Save the posting template.
4. Create a new journal entry and use the template to create an accrual posting for the GL period following the current system date (post on the last day of the GL period). The posting amount is 8,000 USD (total amount of the posting in TC).



Reversing Entries

Use entity 10USACO.

1. Use the template *ACCR-M001* (created in the previous exercise) to create the accrual posting for the last day of the next GL period.
The TC amount is 8,000 USD (total amount of the posting in TC).
Use daybook JE.
2. Use the **Reverse** action in **Journal Entries** to reverse the transaction created in step (1) in the same period because you realized the total was incorrect.
3. In **Journal Entries**, create the following new replacement posting:
Use daybook JE, description of *Accruals*, posting date of the last date of the next GL period, and template *ACCR-M001*.
4. Click the **Replacement** field in the Main panel and use the lookup in the **Original Posting Reference** field to specify the posting to be replaced. Ensure that you specify the correct GL period and posting date in the search in the lookup.
5. Specify 10,000 USD as the template posting amount.

Automatic Journal Entry Reversal

1. Use **Journal Entries** to create an automatically reversing journal entry.

Field	Value
Main Panel	
Daybook	JE
Description	Accruals 2
Reversing Entry Subpanel	
Automatic Reversal	Yes
Correction	Yes
Reversal Posting Date	First day of next month (default).
Posting Lines Panel	
GL 7200 Cost Center Adm	USD 10,000 DR



Field	Value
GL 2470	USD 10,000 CR

2. Click **Save**.

On the first day of the next month, the system will automatically create a reversal posting and all positions will be netted.

Recurring Entries

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

Use entity 10USACO.

1. Use **Recurring Entries** to create a recurring entry with the following parameters:

Field	Value
Main Panel	
Recurring Entry	RE-ACCR-1
Template	ACCR-M001
Daybook	JETRANS
Start Date	Last day of current GL period
End Date	Last day of the GL period after next. For example, if the current GL period is 9, set the end date as the last date of GL period 11.
Reverse	Yes
Frequency	Monthly
Update Type	Allowed
BC Amount	15,000



2. When you have specified the required information in the Main panel, click the **Apply** button underneath the fields.
The **Entries** grid is populated with the recurring entries that will be posted this month and for the two following months.
3. Click **Save**.
4. In the **Actions** menu of **Recurring Entries**, choose **Post**.
The **Recurring Entry Post** screen opens.
5. In the **Recurring Entry Post** screen, click Search.
The **Entries** grid is populated with the recurring entries that will be posted this month and for the two following months.
6. Click **Post** to post the recurring entries.
7. Check the recurring entry postings in the current and next GL periods.

Cross-Company Posting

In this exercise, you will create cross-company postings. Use entity 10USACO.

Use the following parameters (if needed):

- Daybook: JE
- Cross-company code: 10USACO has cross-company code *10USACO*; 11CANCO has cross company code *11CANCO*

1. Using **Journal Entries** in entity 10USACO, make a cross-company posting for a fee of 10,000 USD against entity 11CANCO.

The posting should be:

In Entity 10USACO

DR GL 1970 (IC Manual JE GL Acct)

CR GL 4800 (Revenue)

2. Specify the cross-company code for the journal entry.
3. Above the posting grid, click the **Cross-Company Posting** button to create the posting line in the target entity.

In Entity 11CANCO

CR GL 1975 (IC Manual JE GL Acct), USD

DR GL 7040 (Fees), cost center Adm, USD

4. Check the postings in both entities using **Journal Entries**.



Complete Financial Business Flow

In this exercise, you will:

- Set up a new bank account and link it to a payment format.
- Set up supplier and customer payment instruments.
- Create supplier and customer payment instruments.
- Create journal entries for accruals.
- Order and receive goods.
- Process and pay supplier invoices for stock receipts.
- Process and pay recurring supplier invoices for expenses.
- Process payment in the bank.
- Process customer orders.
- Create customer invoices and credit notes.

Follow the instructions. Use the following parameters (if needed):

- Use entity 10USACO
- Sub-account: use the default/Gserv
- Cost center: use the default/Adm
- GL period: current period

1. In **Daybooks**, create a new daybook *BENWUSD* of type **Banking Entries**, controlled by Financials.

Field	Value
Main Panel	
Daybook	BENWUSD
Description	BENWUSD
Daybook Type	Banking Entries
Layer	Primary
Daybook Control	Financial
Daybook Group	DGC-QMI



2. In **Profiles**, create the profile code *BENWUSD* and link the daybook *BENWUSD* to the shared set from the current domain (*QMS-DB-US*) using the **Linked Object** grid.

Field	Value
Main Panel	
Profile	BENWUSD
Description	BENWUSD
Profile Type	Banking Entry Daybook Profile
Linked Objects Panel	
Linked Object column on the row for shared set QMS-DB-US	Click in the field and specify BENWUSD.

3. In **GL Accounts**, create a new GL account 1112 of type *Bank Account*.

Field	Value
Main Panel	
GL Account	1112
GL Description	Bank USD
GL Type	Bank Account
Category	Asset
Currency Panel	
Currency Code	USD

- a. In the Banking panel, click **New** to record bank account information:



Field	Value
Banking Panel	
Entity	10USACO
Default	Yes
Bank Account Format	XX
Own Bank Number	87654321
Business Relation	Blank
Daybooks and Accounts	
Banking Daybook Profile	BENWUSD
AP Discount Account	5700
AR Discount Account	4220
Deduction Daybook Profile	DedDaybookProfile

- b. Select the new row that you added to the **Banking** grid.
- c. Above the grid in the Banking panel, click **Bank Payment Format Links**.
The **Bank Payment Format** window opens.
- d. Use **Bank Payment Format** to link the payment formats to the current bank account (87654321).
- e. Click **New** above the grid to add a new row for the first payment format.
- f. Specify the following values in the grid fields:

Payment Format	Next Pre-Printed Number	Bank File Format	AR/AP	Payment Instrument
US-CHECK	1	USBank	Accounts Payable	Check

- g. Click **New** above the grid to add a new row for the second payment format.
- h. Specify the following values in the grid fields:



Payment Format	Next Pre-Printed Number	Bank File Format	AR/AP	Payment Instrument
CUST-CHECK	1	USBank	Accounts Receivable	Check

- i. Click **Save** in the **Bank Payment Format** window.
- j. Click **Close** in the **Bank Payment Format** window.
4. In **GL Accounts**, save the new bank account record. Click **Continue** if you receive warnings.
5. In **Supplier Payment Status**, set up statuses for the check payment instrument:

Status 1

Field	Value
Payment Instrument	Check
Status	Initial
Bank GL Account	1112
Daybook	
Supplier Payment Account	
Default Value Days	0

Status 2

Field	Value
Payment Instrument	Check
Status	For Collection
Bank GL Account	1112
Daybook	APPAY
Supplier Payment Account	2080



Field	Value
Default Value Days	0

Status 3

Field	Value
Payment Instrument	Check
Status	Paid
Bank GL Account	1112
Daybook	APPAY
Supplier Payment Account	2080
Default Value Days	0

6. In **Suppliers**, add the newly created bank account to the following suppliers in combination with the payment format *US-CHECK* and own bank number 87654321. Specify the same supplier bank number as used for the other records in the **Banking** grid.

10S1003

10S1005

Note: Ensure that only one bank account is marked as the default for the current entity. You must also specify a supplier bank number in the new grid line before you can save the record.

7. In **Purchase Orders**, create a purchase order for supplier 10S1005 for 2,000 EA of item 02002 at unit price 0.50 USD each. The PO is non-taxable. The item site is 10-200.
8. In the **Actions** menu, select **Receive Order**.

The **Receive Order** screen opens.

- In the Main panel, select the **Receive Full Quantity** field.
- In the Lines panel, click **New**.
- In the **Line** field of the new grid entry, click the lookup and select your PO line (2000 of item 02002).
- Click **Submit**. You will receive a **Receipt Successful** message.
- Click **OK**.



9. Use **Supplier Invoices** to create a supplier invoice of \$1,000.00 for supplier 10S1005 and match it against the PO receipt.
 - Currency USD, non-taxable
 - Ensure you select the correct bank account and set the amount to pay
 - No variances
10. Use **Supplier Invoices** to create an expense supplier invoice of \$5,000.00 for 10S1003.
Currency USD, non-taxable, Invoice Status Code = OK2PAY
11. Use **SAF Concepts** to create the following concepts:

SAF Concept 1

Field	Value
Main Panel	
SAF Concept	Campaign
Description	Promotional Campaign

SAF Concept 2

Field	Value
Main Panel	
SAF Concept	Market
Description	Market for Product Information

12. Use **SAFs** to create the following SAF codes:

SAF 1

Field	Value
Main Panel	
SAF	Ultrasound
Description	Campaign for Ultrasound



Field	Value
SAF Concept	Campaign
Budget Group	Blank
Active	Yes

SAF 2

Field	Value
Main Panel	
SAF	ConsumerUltrasound
Description	Campaign for Consumer Ultrasound
SAF Concept	Campaign
Budget Group	Blank
Active	Yes

SAF 3

Field	Value
Main Panel	
SAF	NA
Description	North America
SAF Concept	Market
Budget Group	Blank
Active	Yes



SAF 4

Field	Value
Main Panel	
SAF	SA
Description	South America
SAF Concept	Market
Budget Group	Blank
Active	Yes

SAF 5

Field	Value
Main Panel	
SAF Code	NE
Description	Northern Europe
SAF Concept	Market
Budget Group	Blank
Active	Yes

13. Use **SAF Structures** to create a SAF structure.

Field	Value
Main Panel	
SAF Structure	Introduction
Description	Market Introduction of New Products



Add concepts *Campaign* and *Market* to the SAF structure.

14. Use **GL Accounts** to create a new GL account 7410, *Market Introduction*.

Field	Value
Main Panel	
GL Account	7410
GL Description	Market Introduction
GL Type	Standard Account
Category	Expense
Analysis Panel	
Sub-Account	Yes
Default Sub-Account	DefSubAct
SAF Analysis Subpanel	
SAF	Yes
SAF Structure	Introduction

Note: If you receive a warning about budgets, click **Continue**.

15. Use **Journal Entries** to create a journal entry template (*MarkIntro*) for daybook JE, allocating \$1,000.00 from the accrual account 2470 to account 7410, *Market Introduction*.
16. Use **Recurring Entries** to create a recurring journal entry (code = *AMI-1*) for three months, starting in the current GL period, using the *MarkIntro* template.
- Post to primary layer (JE)
- Amount: 1250, no reversal
17. Post the recurring entry.
18. Use **Journal Entries** to review the journal entry.



19. Use **Supplier Payment Selections** to create a selection (code = *PS-1*) that includes the two invoices created during this exercise. The bank account to use is GL 1112 and the payment format is *US-CHECK*.
20. Confirm the payment selection and print the supplier checks.
21. Create a new business relation using **Business Relations**.

Field	Value
Main Panel	
Business Relation	10-C1008
Name	Reston Plastics
Addresses Panel	
Head Office Address	532 Broadway, New York, NY 10012, US
Primary Contact	Mr. A. Schwartz, General Manager Telephone: 212 555 1212

22. Use **Customers** to create a new customer *Reston Plastics, 10C1008*, linked to the business relation *10-C1008*.

Field	Value
Main Panel	
Bill-To Customer	10C1008
Customer Type	DIST
Time Zone	
Payment Subpanel	
Credit Term	30D
Invoice Status	C-OK



Field	Value
Domain Settings Panel	
Site	10-300
Daybook Set	10-SALES
Time Zone	EST
Ship Via	FEDX
Banking Panel	
Customer Bank Account	7777
Bank Account Format	XX

23. Link the customer record to the own bank account for GL 1112 and to the payment format *CUST-Check*.
24. In the **Customer Ship-to's** browse, create a customer ship-to address for *Reston Plastics*.
25. Use **Customer Payment Status** to create payment statuses for the payment instrument *Check* using the following details:

Field	Status 1	Status 2	Status 3	Status 4
Payment Instrument	Check	Check	Check	Check
Status	Initial	For Collection	Paid	Bounced
Bank GL Account	1112	1112	1112	1112
Daybook		ARPAY	ARPAY	ARPAY
Customer Payment Account		1380	1380	1390
Default Value Days	0	0	0	0

26. Use **Sales Orders** to create a non-taxable sales order for customer *10C1008*. Set **Detail Allocations** to **Yes** in the Order Options subpanel.



1000 of item 03031 at \$8.99 each (total value = \$8990.00). Set any discount to zero.

27. Pick the items.
28. Confirm the pre-shipper, choosing to invoice now.
29. Ship and create the invoice.
30. Review the customer invoice.
31. Produce a customer aging report as of the last day of the next GL period for customer 10C1008.
32. In **Business Relations**, open 10-USA-CO and specify a primary contact. Save the change.
Note: This step is required before you can run a **Customer Statements of Account** report.
33. Produce a customer statement of account for customer 10C1008 as of the last day of the next GL period.
34. Create a non-taxable credit note for customer 10C1008 for \$990 USD and adjust this against the open invoice of \$8990 USD using **Open Item Adjustments**.
35. Receive a check for \$8000 USD from customer 10C1008 (For Collection payment status), and allocate this to the open invoice using **Customer Payments**.
36. Change the status of the customer check (10C1008, value \$8000 USD) to **Bounced** using the **Mass Changes** action in the **Customer Payments** browse.
37. You receive a payment of \$8000 USD from customer 10C1008, deposited in bank account 1112. Allocate the payment to the invoice using **Bank Statements**.
38. Create a customer account activity report for customer 10C1008.
39. Review the **Customer Activity Dashboard** for customer 10C1008.