



QAD Enterprise Applications
Enterprise Edition

Training Guide

Financials Fundamentals

70-3035D
QAD 2011 Enterprise Edition
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What's New?

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

[illegible]

About This Course

Course Description

This class is designed to teach the basic features and functions of QAD Enterprise Financials and the business requirements to consider when implementing those. 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, please check advanced classes.

Topics will be presented and then practiced with hands-on exercises. At midday of 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 Enterprise Financials
- Understand how QAD Enterprise Financials interacts with the operational modules
- Be able to navigate, query, and report in QAD Enterprise Financials
- Be able to complete the basic business processes of the Accounts Receivable, Accounts Payable, and General Ledger modules
- Understand the Best Practices setting up and using QAD Enterprise Financials.

Audience

This class is intended for accountants, controllers, financial managers and accounting clerks, as well as QAD R&D, and Services and Support, as a first step to gain understanding of the overall QAD Financials product.

Prerequisites

An understanding of financial principles is required to get the full benefit of this class.

Course Credit and Scheduling

This course provides 30 credit units. It is designed to be taught in 5 days.

System Requirements

This course uses the QAD Enterprise Applications Enterprise Edition database. See the title page for the exact database title. Whether you are studying this material in a classroom or as a self study exercise, this is launched in a virtual environment management system. QAD instructors will prepare classroom environments.

Exercises

Use the Enterprise Edition 2011 r01 - Training lab environment.

- EMEA exercises: Use the 22UK domain and entities, European currencies, and a few specifics like electronic transfer payments and mirror accounting.
- US Exercises: Use the 10USA domain and entities, the US dollar as currency, and a few specifics, for example, in AP Payments.

In general, students are more comfortable with static data they are used to, such as currencies and addresses. However, it is up to the instructor to decide which set to use, depending on the audience. Classes held in the Asia Pacific region can use either set.

QAD Resources

If you encounter questions or problems on QAD software that are not addressed in this book, several resources are available.

QAD Web Resources

The QAD website provides product and company overviews. The Print Solution option on the opening page provides a means of compiling desired content into a document specialized to your industry, business implementation, and needs.

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

Access QAD's Learning or Support sites from qad.com.

QAD Learning Portal for Training Opportunities

To view available training courses, locations, and materials, use the QAD Learning Portal. Choose Learning under the Global Services tab to access this resource.

QAD Support for Product Documentation and the QAD Knowledgebase

To access release notes, user guides, installation and conversion guides by product and release, visit the Support website. Support also offers an array of tools depending on your company's maintenance agreement with QAD. These include the Knowledgebase and direct links to QAD Support experts.

Choose Support under the Global Services tab.

Any QAD customer can register for a QAD web account by accessing the Support web site and clicking the Accounts link at the top of the screen. Your customer ID number is required. Access to certain areas is dependent on the type of agreement you have with QAD.

Exercise Database, Domain

Enterprise Edition 2011 r01 with Addons, 10USA and 22UK, qmi

Chapter 1

QAD Financials Concepts

Overview

Overview

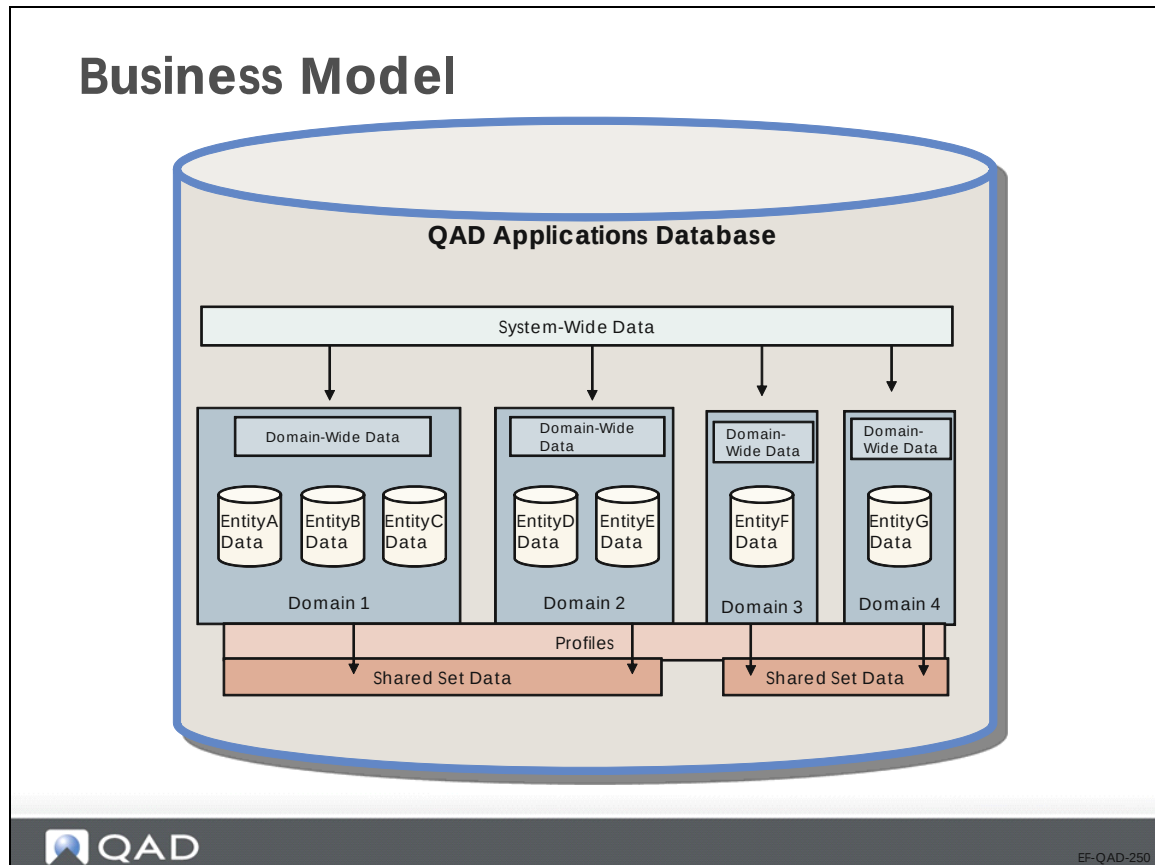
- QAD Enterprise Financials Concepts
 - Business Data Model
 - Shared Sets
 - Profiles
 - Business Relations
 - Accounting Layers
 - Daybooks
 - GL Analytical Coding Segments (includes SAF)
 - Alternate COA
 - Dual Base Currency



EF-QAD-020

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

Business Model



When planning your financial implementation, the infrastructure of your business organization must be determined. Domains and entities represent business operations and specific business units that produce profit and loss statements, and financial reports.

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

Four Levels of Data

Four Levels of Data

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



EF-QAD-260

System wide

Some financial data is shared throughout the system, such as currency, country codes, and tax zones. This data never differs from one business unit (entity or domain) to another, so it makes sense to share it across all business organizations.

Shared sets

Shared sets group data that can be shared across domains. A single domain can have an independent chart of accounts or several domains can share the same chart of accounts, streamlining setup and maintenance.

Domain

A domain represents the base unit of the system and comprises one or more entities. Each domain has its own base currency, and, optionally, statutory currency, which is then shared by the entities within the domain.

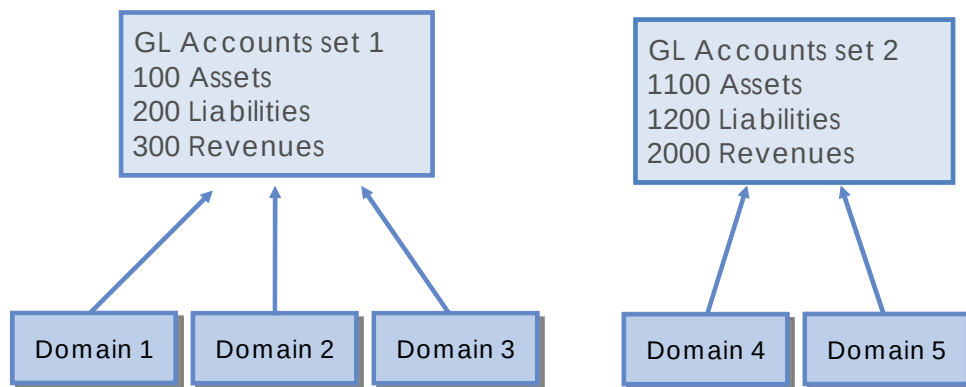
Entity

Entity level data is limited, for example, the organization's own bank account number. Transactions are entered at entity level.

Shared Sets

Shared Sets

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



EF-QAD-270

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

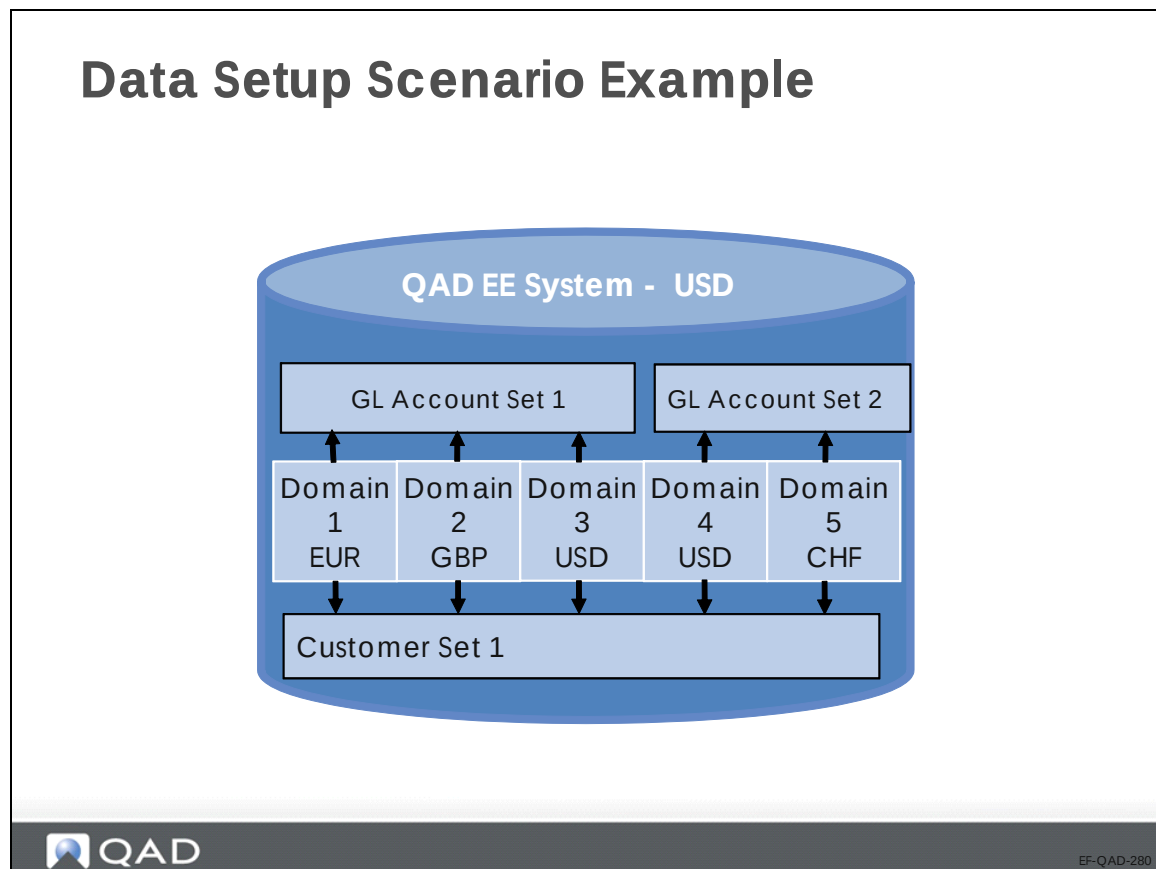
A default set of shared set codes is supplied with the system. However, as many shared sets as necessary can be created.

The following types of data can be shared:

- Customers
- Suppliers
- Accounts
- Sub-accounts
- Sub-account COA mask
- Cost centers
- Cost center COA masks
- Projects
- Project COA masks
- Exchange rates
- Daybooks

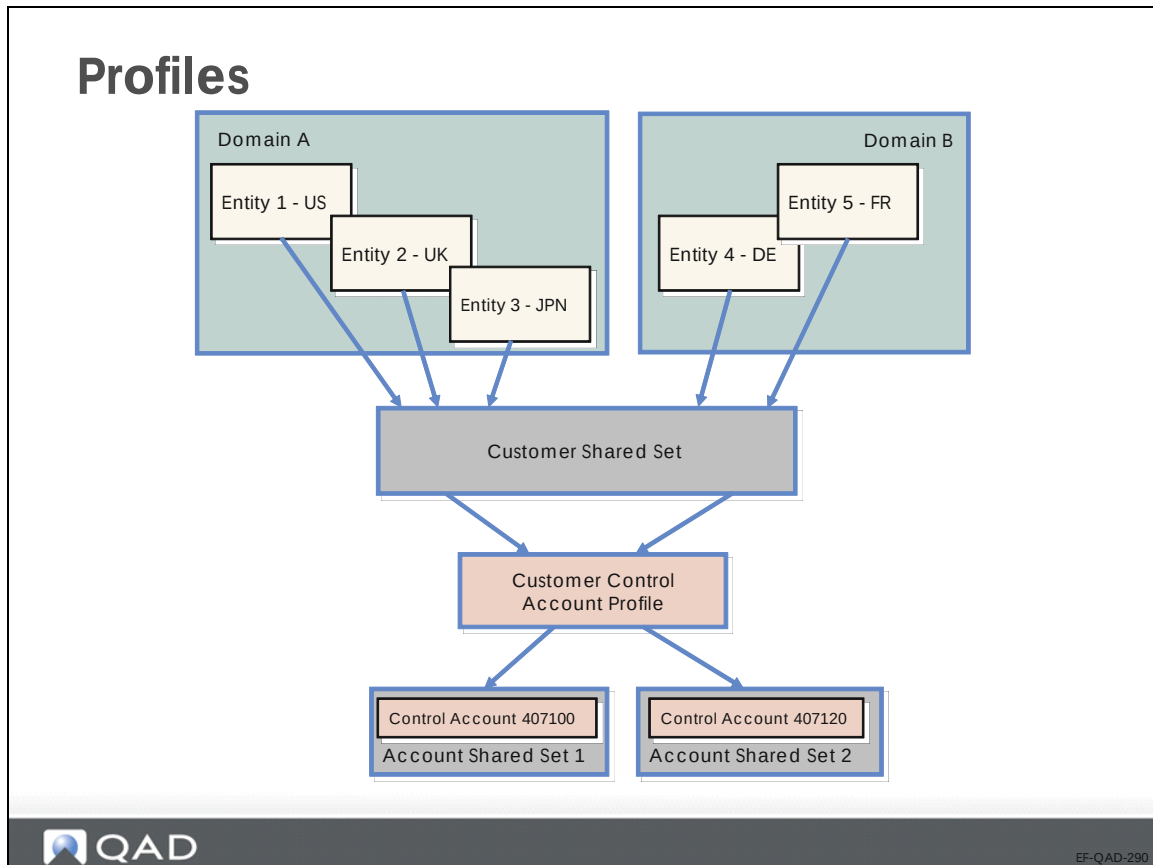
Example Three US domains can use the same chart of accounts, while two other domains in Japan can use another accounts shared set.

Shared Sets Data Setup Example



You may need to connect data in one shared set to another. For example, if several domains share a customer set, but refer to two different chart of accounts, you would need to link different customer control accounts to a single customer.

Profiles



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

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

Business Relation

Business Relation

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

- Head office	- Remittance
- Ship-to	- Dock
- Reminder	- End User



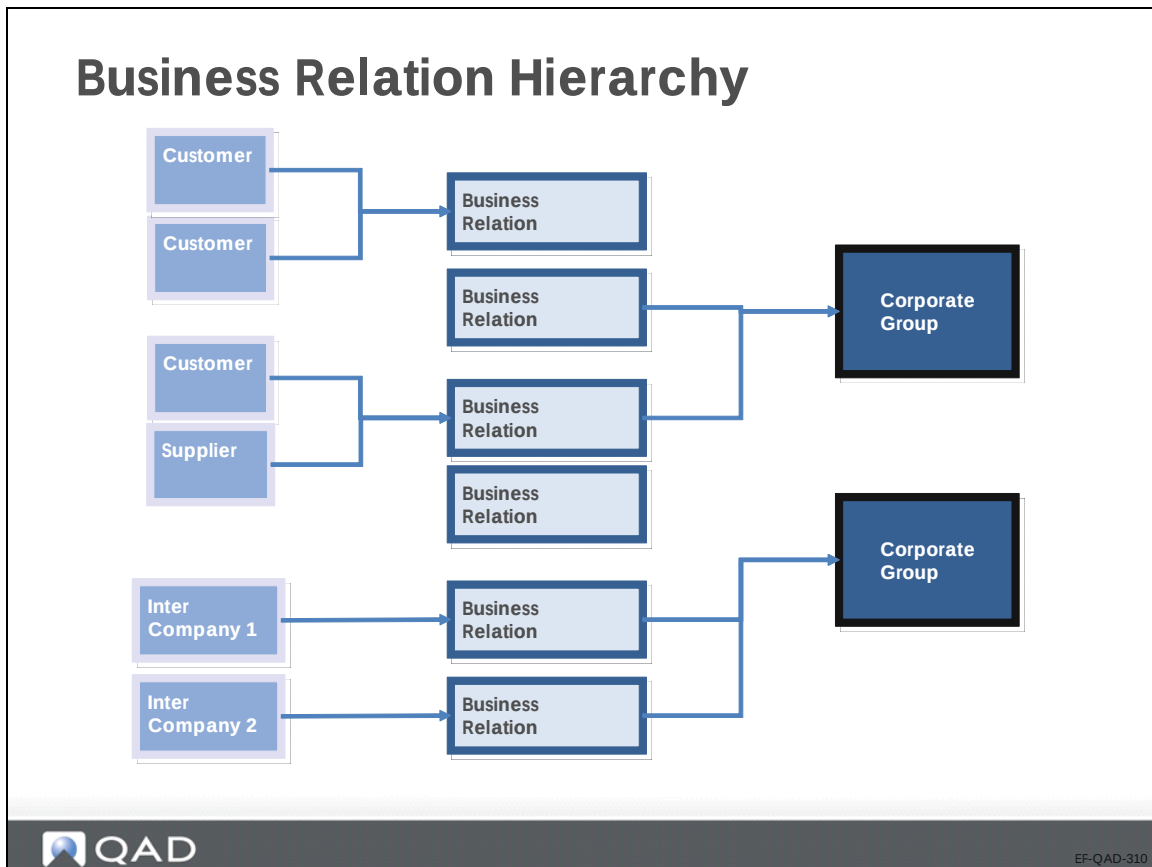
EF-QAD-300

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

You can also create a business relation from within the customer or supplier creation menus.

Business relations can have different address types, as shown above.

Business Relation Hierarchy



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

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

Example ABC produces pens and pencils, and sells to Office Supply Co. ABC, in return, purchases office supplies, such as paper and filing material, from Office Supply Co. Therefore, Office Supply Co. is both a supplier and customer of ABC.

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

Accounting Layers

Accounting Layers

- Three accounting layers:
 - Primary layer
 - For daily transaction posting
 - Secondary layer(s)
 - For adjustments (GAAP, IFRS compliance, or management reporting adjustments)
 - Transient layer(s)
 - For temporary postings
 - For what if simulations
 - Or before approval



EF-QAD-330

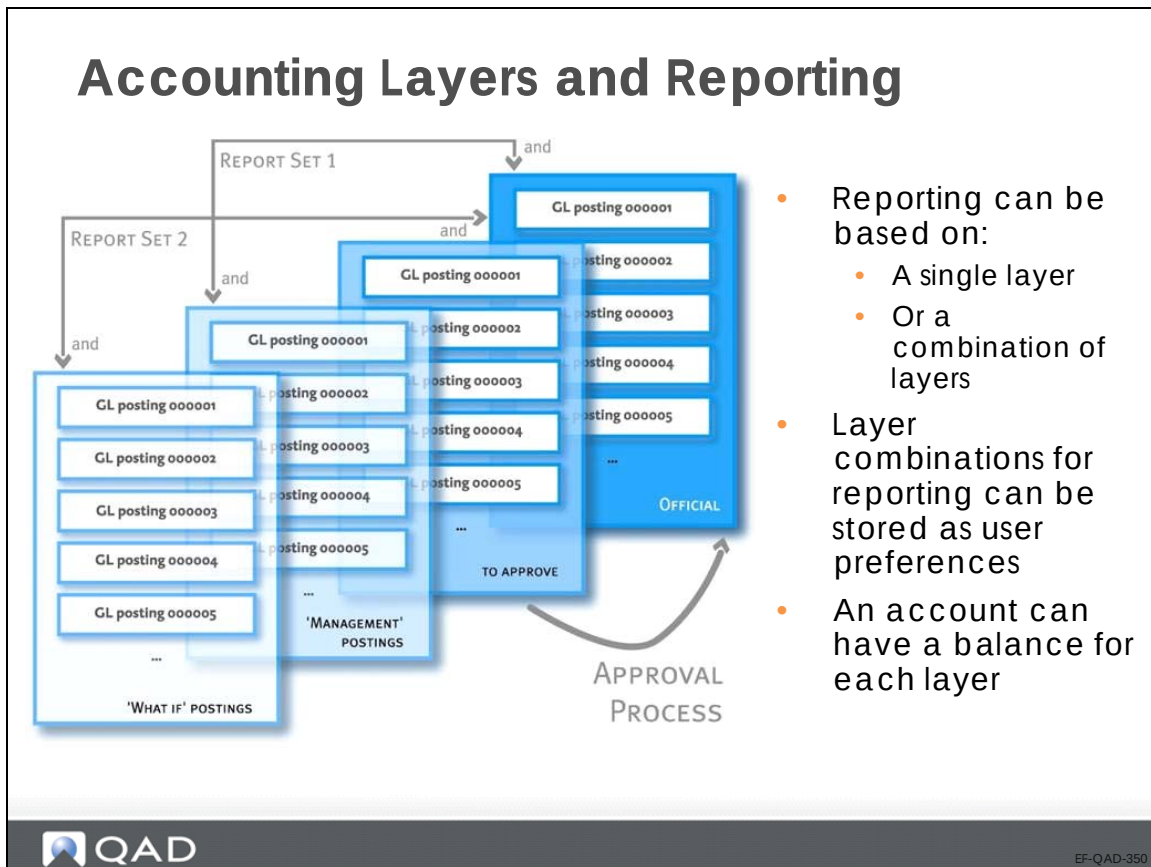
Accounting layers provide different ways of segregating transactions within a single GL account to satisfy reporting requirements. The posting of transactions is controlled by associating daybook types with one of the three system-defined accounting layers: primary (labelled “official” in the system),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

The primary layer is used for daily transaction posting.

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

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

Accounting Layers and Reporting



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

Any combination is possible, as shown in the slide.

Daybooks

Daybooks

- Mandatory
 - Multiple daybooks possible (recommended)
 - Default when single daybook by type
- Control document numbering
- Linked to an accounting layer
- Controlled by
 - Financials
 - Operational
 - External



EF-QAD-360

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

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

Daybooks control the numbering of invoices and credit notes, in addition to GL transaction numbers. Daybooks are linked to an accounting layer, and can be controlled by the financial functions or the operational functions. You can also create daybooks to store transactions from external third-party products.

GL Account Setup Features

GL Account Create

- GL Type
 - Standard
 - Bank
 - Customer and Supplier Control
 - System
 - Types – gains and losses
- Posting Control
 - Debit, Credit
 - Balance Sheet, P&L
 - Inter Company
 - Quantities
- Analysis
 - Cost Center, SAF, Sub-Accounts, (Default Values)

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

- Account:** 0021SDVA
- Description:** SO VARIANCE ACCOUNT 21
- GL Type:** Standard Account
- Active:** ☒
- Referenced:** ☒
- In Posting:** ☐
- System Type:** (empty)
- Budget Group:** (empty)
- Budget Enabled:** ☒
- Category:** EXPENSE
- Analysis Type:** SAF
- Analysis Limitation:** None
- Default Cost Center:** (empty)
- Default Project:** (empty)
- SAF Structure Code:** ProdLine Struct
- Sub-Account:** (empty)
- Default Sub-Account:** ☒
- GL Analysis Set On Date:** (empty)
- GL Analysis Set on by:** (empty)
- GL Sub-Account Set On Date:** 06/07/2007
- GL Sub-Account Set on by:** (empty)

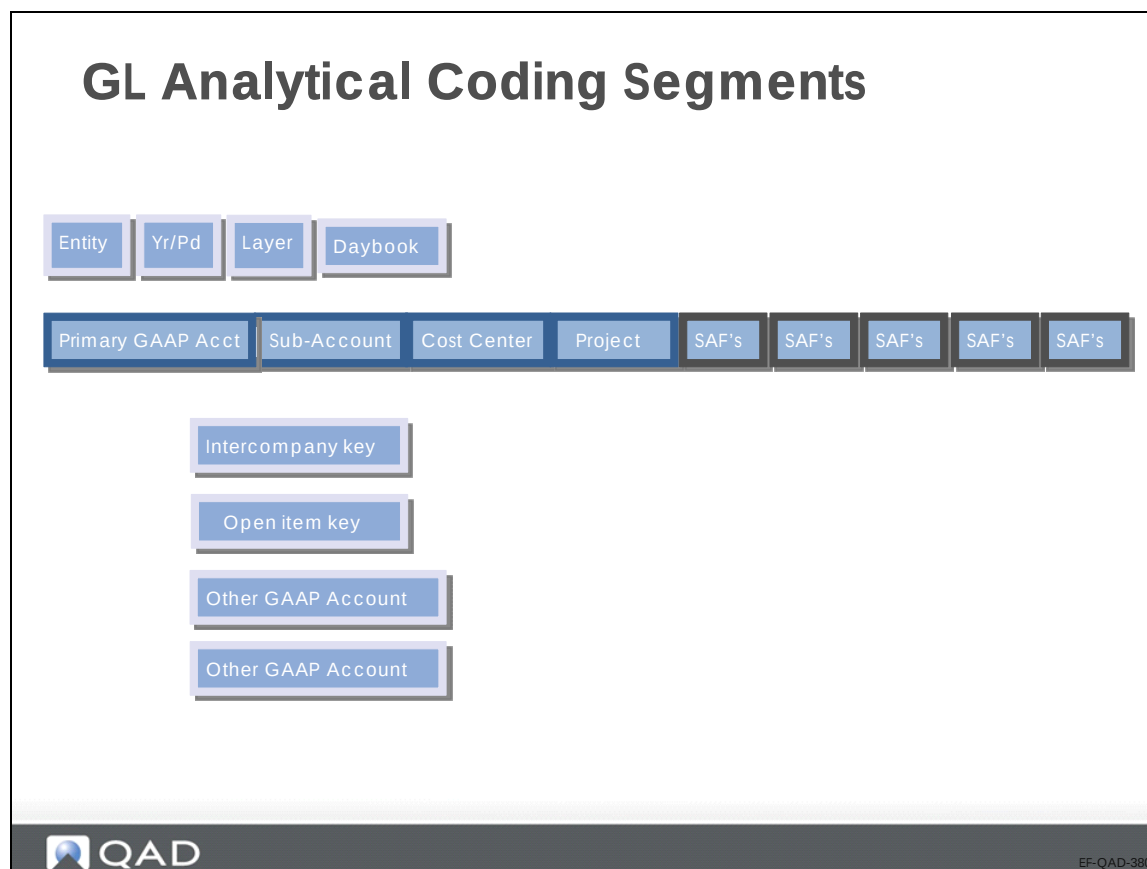


EF-QAD-370

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

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

GL Analytical Coding Segments



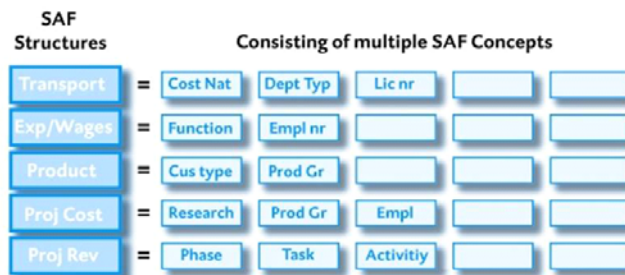
QAD Financials uses standard, industry-recognized components to implement the chart of accounts. The strength of the application is its flexibility. The business model can be configured to generate many different types of accounting information.

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

Additional Coding Dimensions in GL

Additional Coding Dimensions in GL

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



EF-QAD-390

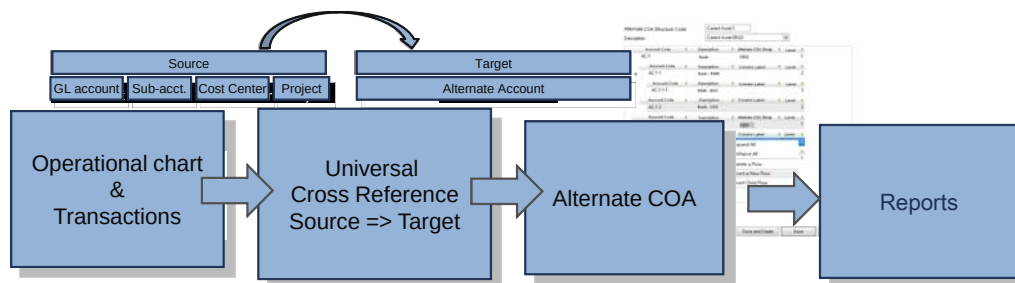
In addition to the four basic components of the general ledger, you can define five Supplementary Analysis Fields (SAFs) to fine-tune transactions. SAFs provide the basis for powerful and flexible financial reporting and analysis.

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

Alternate COA

Alternate Chart Of Accounts

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



EF-QAD-395

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

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

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

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

Learn more about alternate COAs in the Advanced Financials class.

Dual Base Currency

Dual Base Currency

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

Sample Supplier Invoice

In USD (base) In USD (transaction) In MXN (statutory)

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



EF-QAD-400

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

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

Definitions

Definitions

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



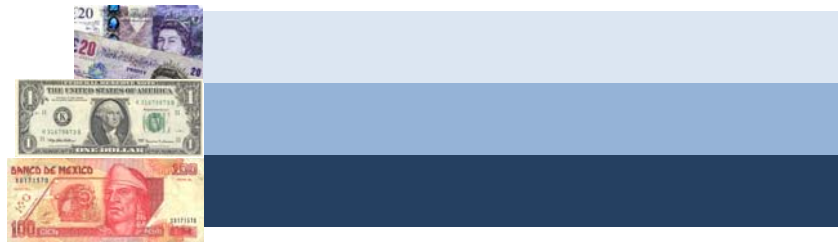
EF-QAD-410

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

Example of Dual Base Currency Use

Example

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



EF-QAD-420

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

Chapter 2

UI Navigation and Browsing

Overview

Overview

- Login and welcome screens
- Menu navigation & tools
 - Search
 - Menu properties
 - Workflow - Inbox
 - Favorites
 - Alternative menu access (GoTo, context menu)
 - Document linking
 - Process maps
- Application integration
 - Excel and XML integration
- Browsing features



EF-UI-020

In this section, you will learn how to:

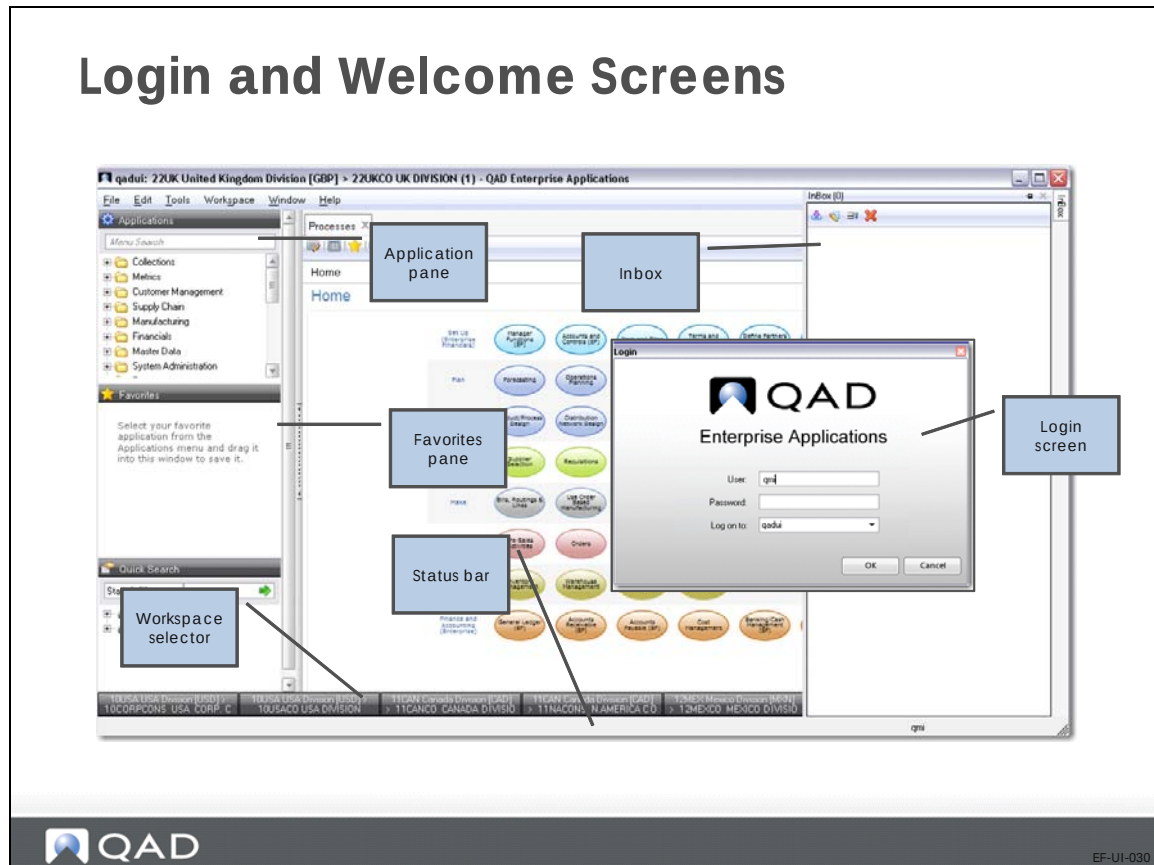
- Navigate through the Financials application.
- Simplify access to the most frequently used functions.
- Use features like email and the workflow.
- Browse data effectively.

You will also learn about the application integration capabilities.

Most of the financial functions are developed using an object-based technology that supports a rich user interface offering additional features not available in operational system functions. These functions work within the QAD .Net User Interface, and use the same menu system for navigation.

The standard menu bar is available throughout the .Net UI for all programs.

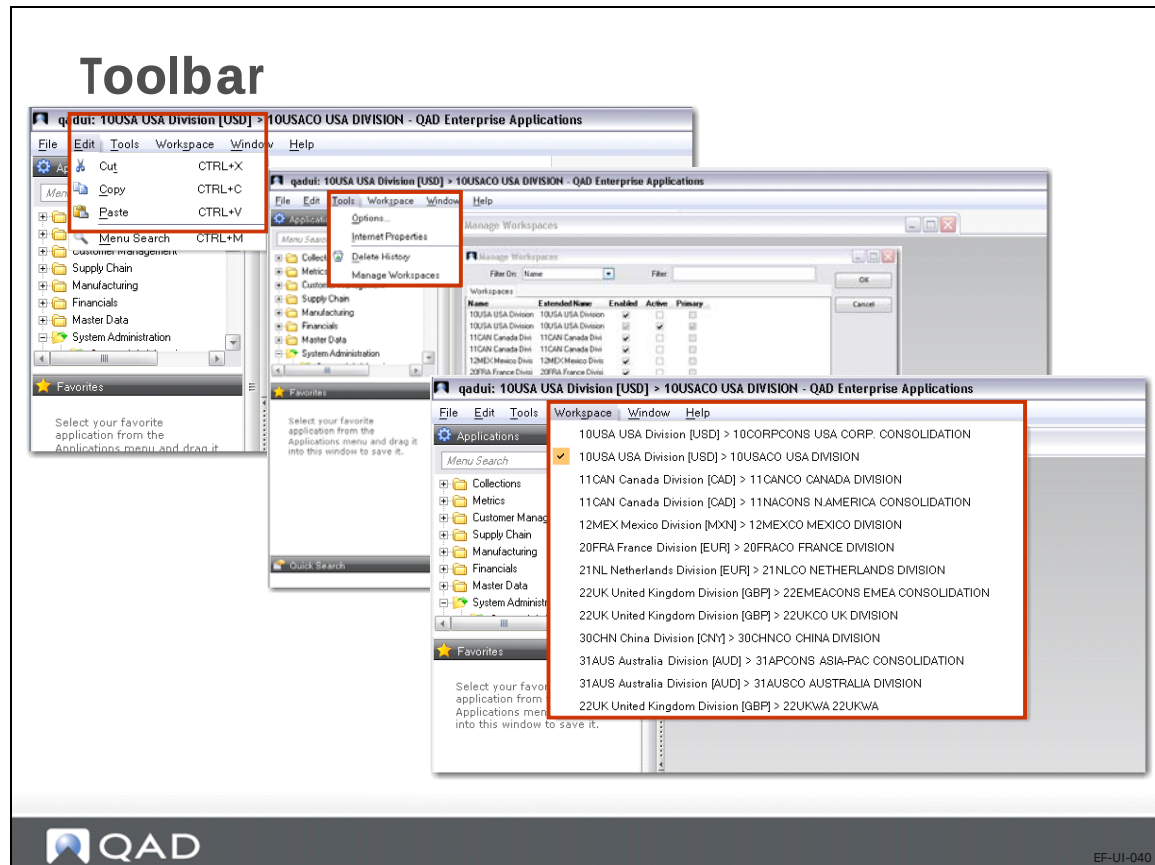
Login and Welcome Screens



On the Login screen, enter your assigned username and password. The third field represents the environment to log on to and usually defaults. The Welcome screen is composed of several areas:

- The Application pane, with the menu search bar and menu list.
- The Favorites pane, where menus, reports, and browses can be dropped for direct access.
- The Inbox where you manage your messages. You can choose to hide the Inbox.
- The Workspace Selector, which lets you jump from one entity to the other in one click.
- In the middle, the menu windows open and represent your main work area.

Toolbar

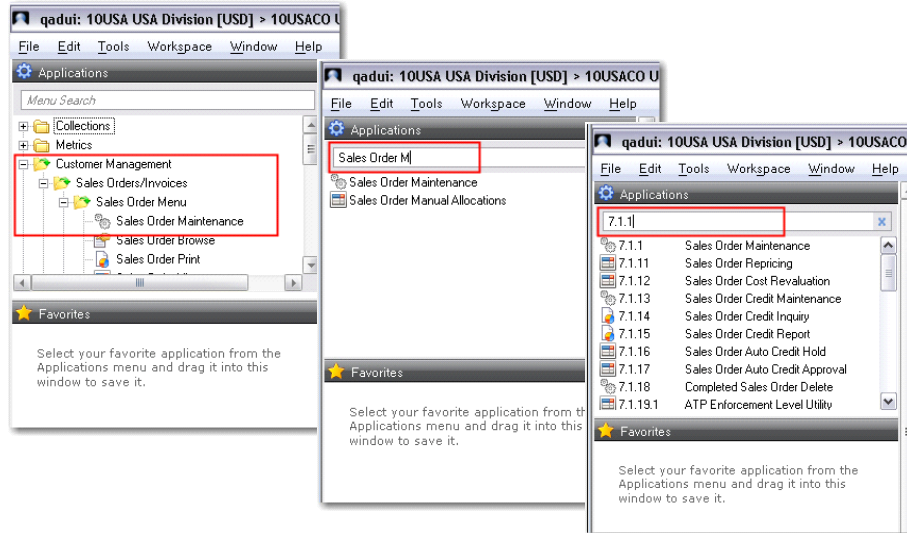


The toolbar provides access to:

- The Edit menu, with standard Windows functions, such as cut, copy, and paste.
- The Tools menu, which lets you change various interface attributes, including the workspace (entity) to display.
- The Workspace menu, allows navigation between workspaces.
- The Help menu.

Menu Search: Three Options

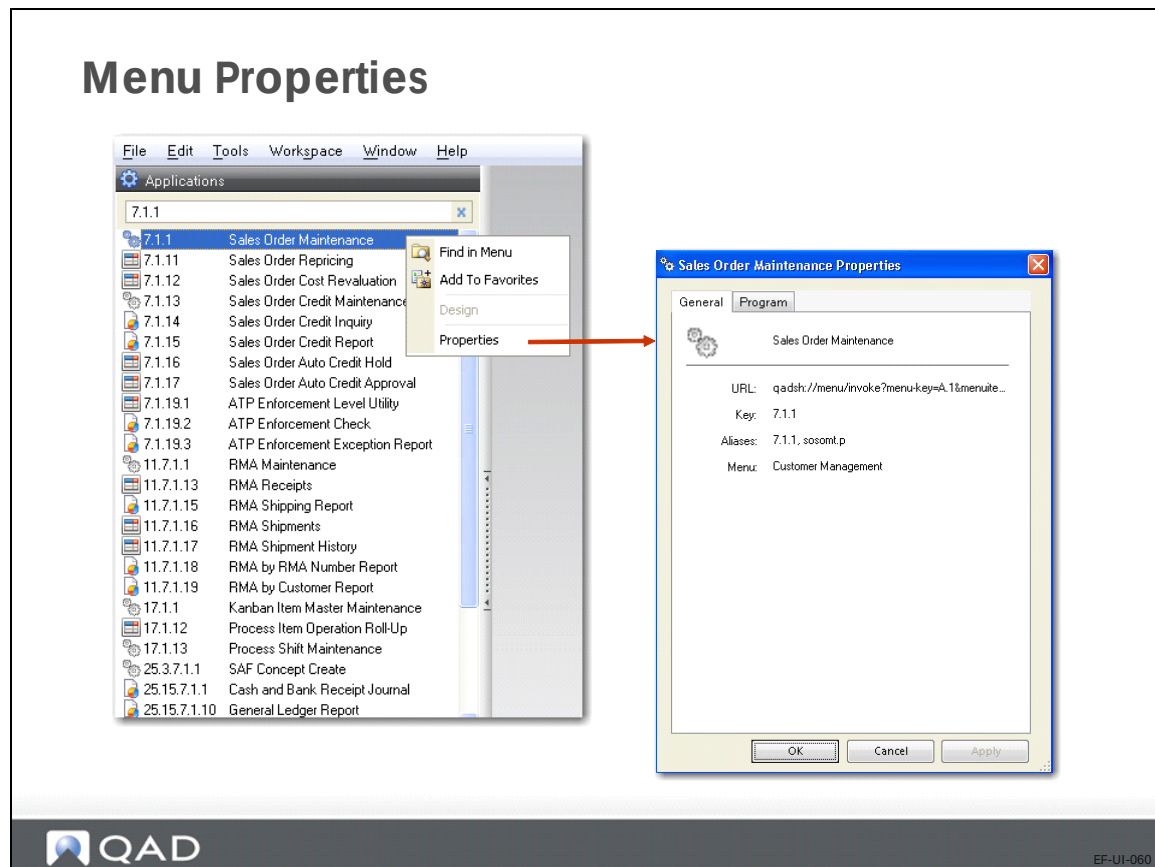
Menu Search: Three Options



Menus can be accessed in three ways:

- By navigating down the menu tree.
- By entering the beginning of the menu name in the menu search bar.
- By entering the menu number.

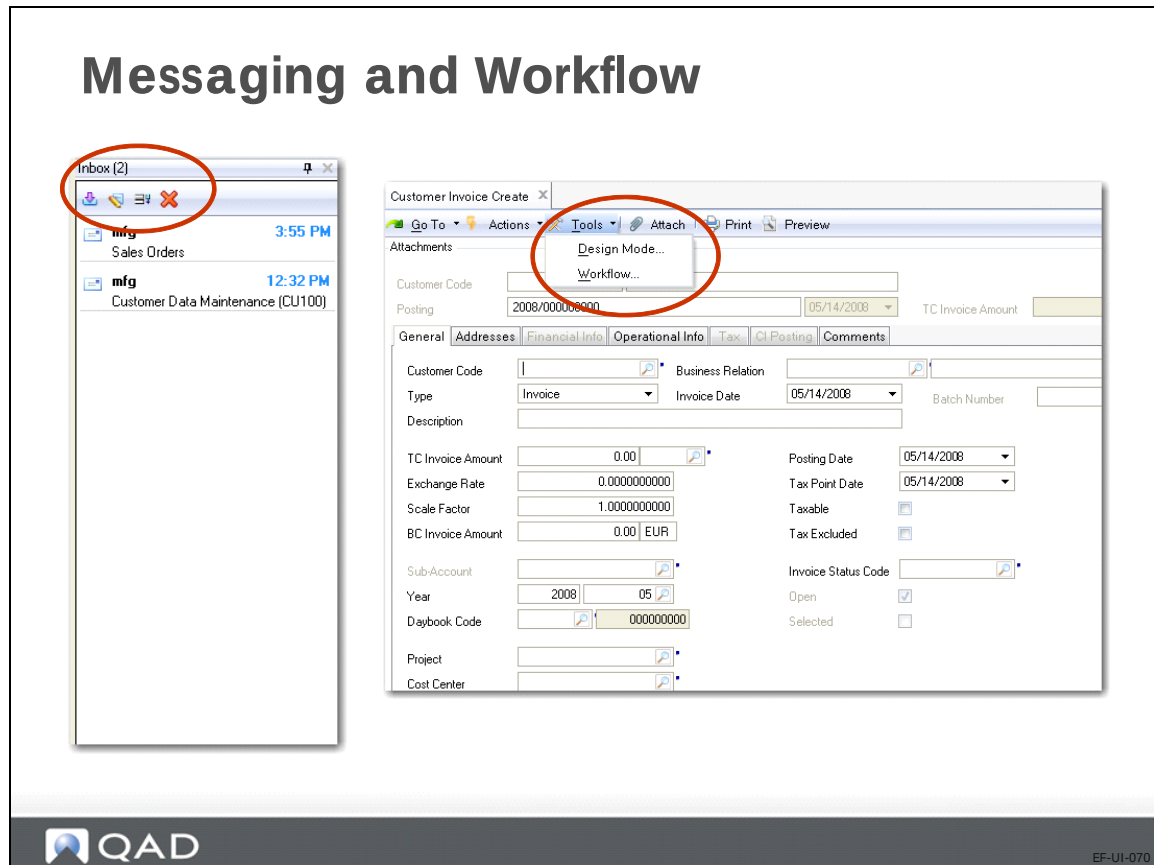
Menu Properties



To find a menu number, name, or other menu attributes, right-click on the menu name in the menu pane.

By using the right-click menu, you can also display the menu in the menu tree.

Messaging and Workflow



The Financials application includes full emailing capabilities.

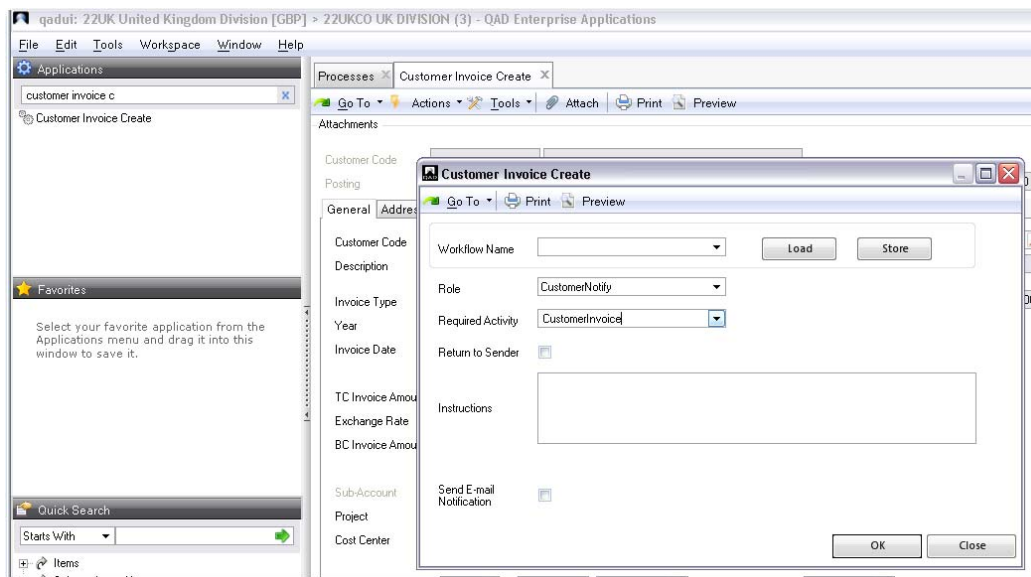
In addition, you can access workflow functionality in component-based functions (those displaying in tabs). This feature lets you create and initiate workflows between users or roles.

Example When a new customer is created by a user in Financials, a workflow is initiated for the operational user to set up the operational data for the customer.

The workflow supports the segregation of duties and adds efficiency to day-to-day tasks.

Creating a Workflow

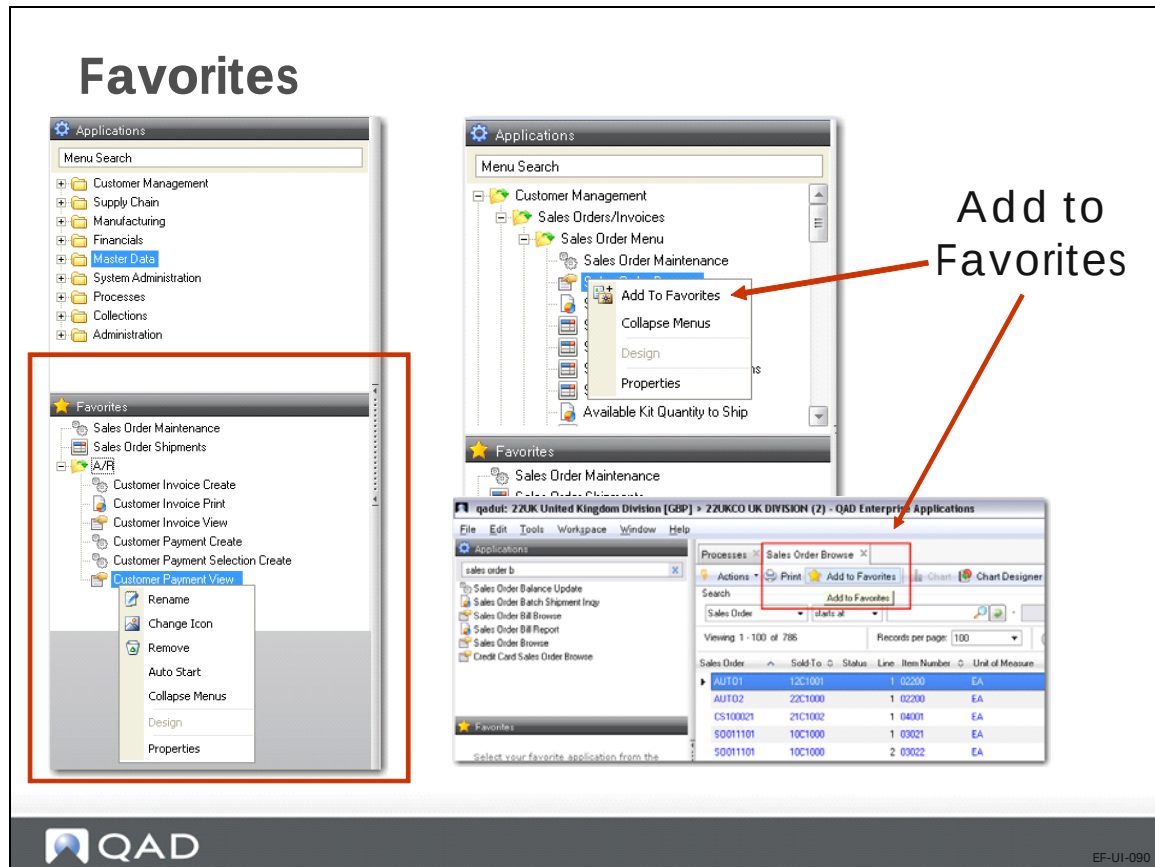
Create Workflow



To create a new workflow, select the function from the Tools drop-down list on the menu tool bar. Name the new workflow, assign it to a role, and specify the required activity. Additional instructions can be added in a text comment box.

You can then initiate the workflow or store it for later use and reuse.

Favorites



Use the Favorites pane to provide faster access to the menus that you use every day.

Add menus to your Favorites pane by right-clicking on the menu name on the menu list, by dragging and dropping the item from the menu list, or by clicking the Add to Favorites icon in the menu.

You can rename items in your favorites, and group them in directories.

Direct Menu Access with the GoTo Button

Direct Menu Access: GoTo

The screenshot displays the 'Customer Invoice Create' window in QAD. A red box highlights the 'Go To' button in the top-left corner. A dropdown menu is open, listing various options: 'Related Views', 'Related Reports', 'Create New Customer', 'Create New Business Relation', 'Create New Sub-Account', 'Create New Daybook', 'Create New Project', 'Create New Cost Center', 'Create New Currency', 'Create New Invoice Status', and 'Create New Entity GL Period'. The main form area contains fields for 'TC Invoice Amount' (0.00), 'Exchange Rate' (0.0000000000), 'BC Invoice Amount' (0.00 GBP), 'Posting Date' (11/01/2010), and 'Invoice Status Code'. There are also buttons for 'Attach', 'Print', and 'Preview'.



EF-UI-110

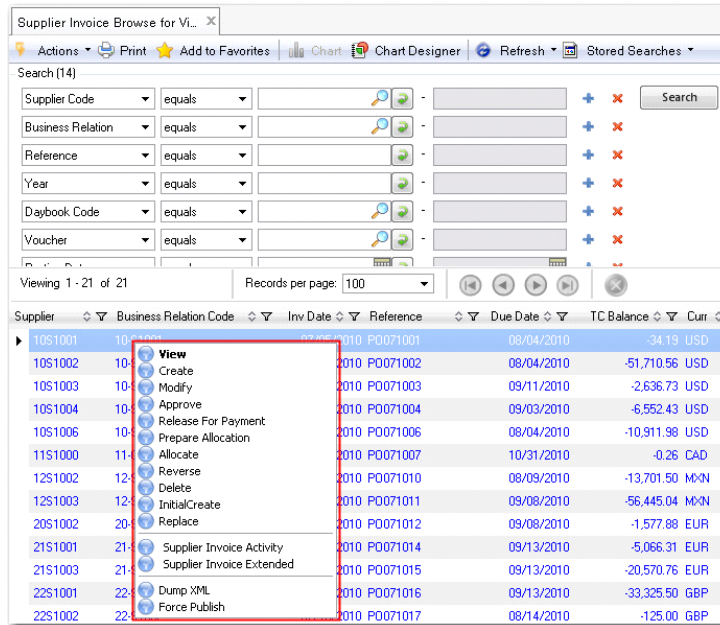
The GoTo function provides another way to access menus faster. Depending on the screen you are currently in, the GoTo menu lists other menus related to the current screen, as well as reports and views.

GoTo behaves differently, depending on whether the current field has data in it:

- If the field has a value, GoTo invokes the View activity
- If the field is blank, GoTo invokes the Create activity.

Direct Menu Access using the Context Menu

Direct Menu Access: Context Menu



You can access record-specific activities by right-clicking on the blue underlined record. Create, view, modify, and delete are standard activities available for most types of records.

For example, in the Supplier Invoice Browse for View, the links include Release for Payment, Prepare Allocation, Allocate, and Reverse.

Document Linking

Document Linking

The screenshot shows the 'Pending Invoice Maintenance' window in QAD. The 'Attach' button in the top toolbar is circled in red. The window displays a 'Sales Order' with tabs for 'Header', 'Lines', and 'Trailer'. The 'Header' tab is active, showing fields for 'Order', 'Sold-To', 'Bill To', and 'Ship-To'. Below these are 'Details' fields including 'Order Date', 'Required Date', 'Due Date', 'Perform Date', 'Pricing Date', 'Purchase Order', 'Remarks', 'Entered By', 'Line Pricing', 'Manual', 'Site', 'Channel', 'Project', 'Last Ship', 'Currency', 'Language', 'Taxable', 'Fixed Price', 'Cr Terms', 'Credit Terms Int', 'Reprice/Edit', and 'Daybook Set'.

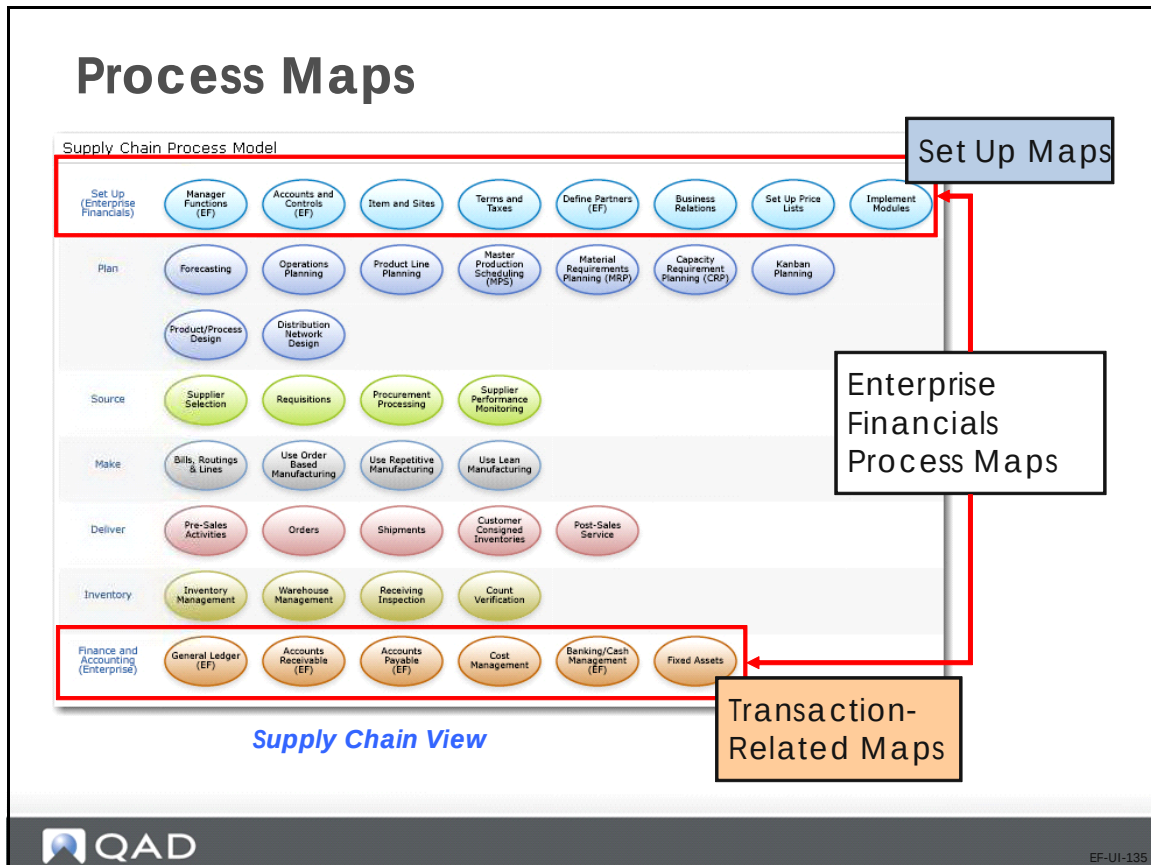


EF-UI-130

In Financials, you can link various types of documents, such as PDFs, Excel, and Word documents, to records.

Example You can attach scanned invoices to supplier and customer invoice records.

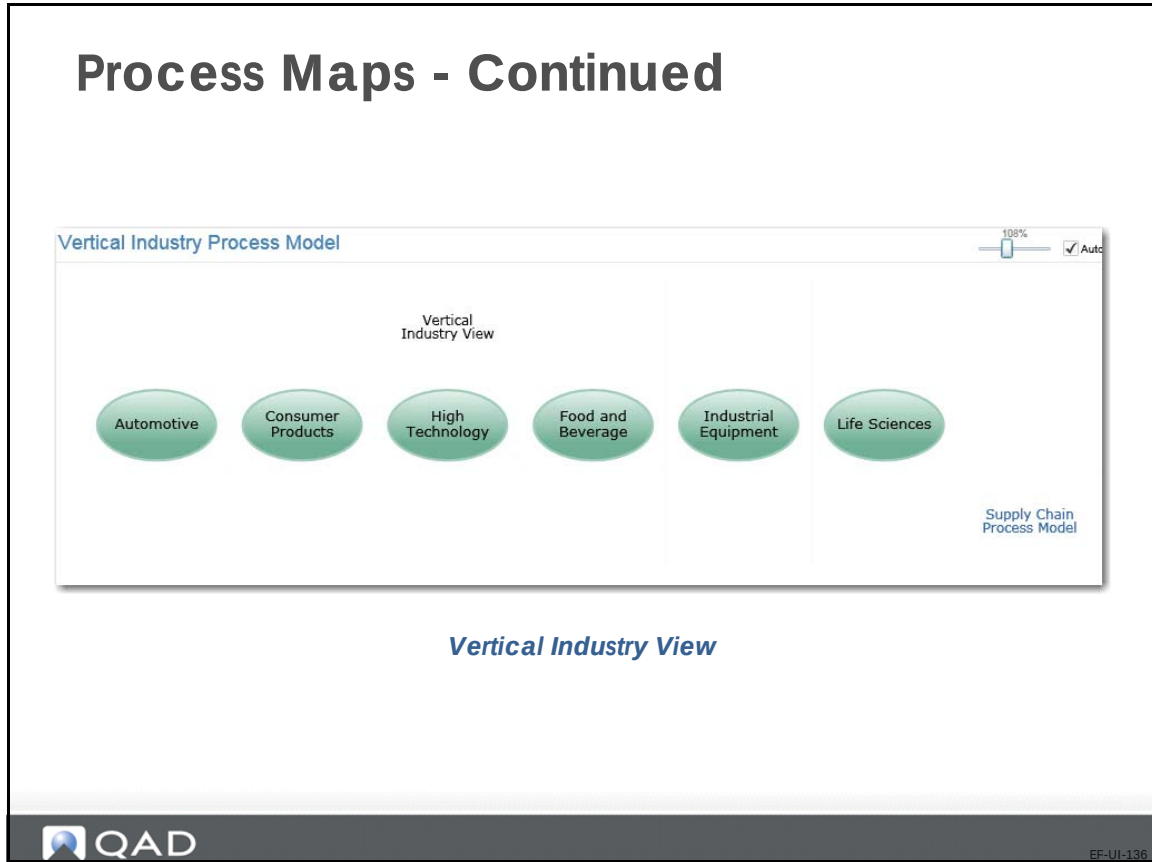
Process Maps



Process maps illustrate the principal business and operational processes within a QAD application, and consequently, provide graphical navigation. The maps are graphical models of workflows that link to programs, browses, and other process maps.

There are two separate views for process maps in QAD applications: the Supply Chain View (shown above) and the Vertical Industry View. Both views lead to the same detailed maps.

Process Maps - Continued



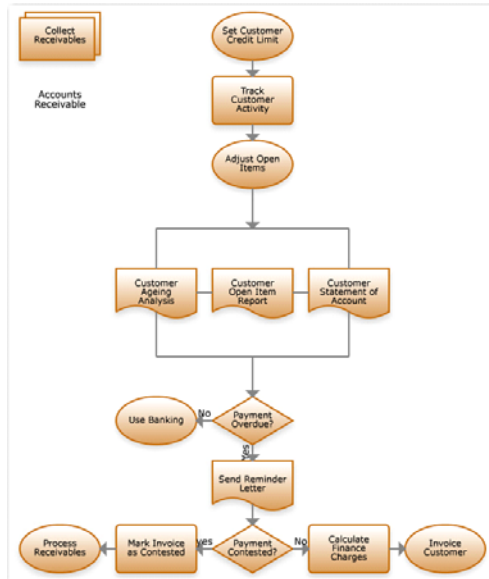
The Vertical Industry maps are categorized using six groups:

- Automotive
- Customer Products
- High Technology
- Food and Beverage
- Industrial Equipment
- Life Sciences

The Vertical Industry maps link to the same lowest level maps as the Supply Chain View.

Lower Level Process Maps

Lower-Level Process Maps



*Accounts Receivable,
Collect Receivables
Process Map*



EF-UI-137

Detailed Enterprise Financials processes are illustrated using the Finance and Accounting process maps. At the lowest level in the maps, you can click on task nodes to open programs, views, and reports in the QAD Enterprise Financials application.

Application Integration

Application Integration

- XML
- Advanced Excel integration
 - Two way



EF-UI-140

Two powerful features facilitate data exchange between systems, record creation, maintenance, and reporting. These features are XML integration and advanced Excel integration.

XML Integration

XML Integration

XML Daemon Configure

Go To Actions Tools Print Preview

Attachments

Daemon Name

Instances

Interval (Sec)

Keep Processed Items ☒

Number Treated in One Run

Login ID for this Daemon

Password for this Daemon

Daemon Log File

Daemon Start Directory

OS Command String

Host Name

Input Directory for XML Files

Action to be Performed Save

Start Date of Last Daemon Run 08/08/2008 00:01:18

End Date of Last Daemon Run 08/05/2008 04:55:15

Daemon Status Running

Running Processes 1

Override XML Action ☐

Override Originator Action ☐

Originators

Originator	Activity	Override XML	Last Modified User	Last Modified Date	Last Modified Time

Save Close

EF-UI-150

XML is used to upload data at the start of an implementation, or to automatically load data, such as exchange rates, that must be imported on a regular basis.

XML integration is very flexible and easy to manage. Refer to *User Guide: QAD System Administration*.

Example of XML Integration

XML Integration

Before

Exchange Rate Browse for Vi...

Drag a column header here to group by that column.

From Cur	To Curr	Valid From	Rate	Scale Facto	Rate Type
EUR	USD	01/01/07	1.3000000000	1.0000000	ACCOUNTING
EUR	USD	01/31/08	1.5000000000	1.0000000	REVALUATION

After

Exchange Rate Browse for Vi...

Drag a column header here to group by that column.

From Cur	To Curr	Valid From	Rate	Scale Facto	Rate Type
EUR	USD	01/01/07	1.3000000000	1.0000000	ACCOUNTING
EUR	USD	01/31/08	1.5000000000	1.0000000	REVALUATION
EUR	USD	01/01/08	1.4000000000	1.0000000	ACCOUNTING
EUR	USD	02/01/08	1.5000000000	1.0000000	ACCOUNTING

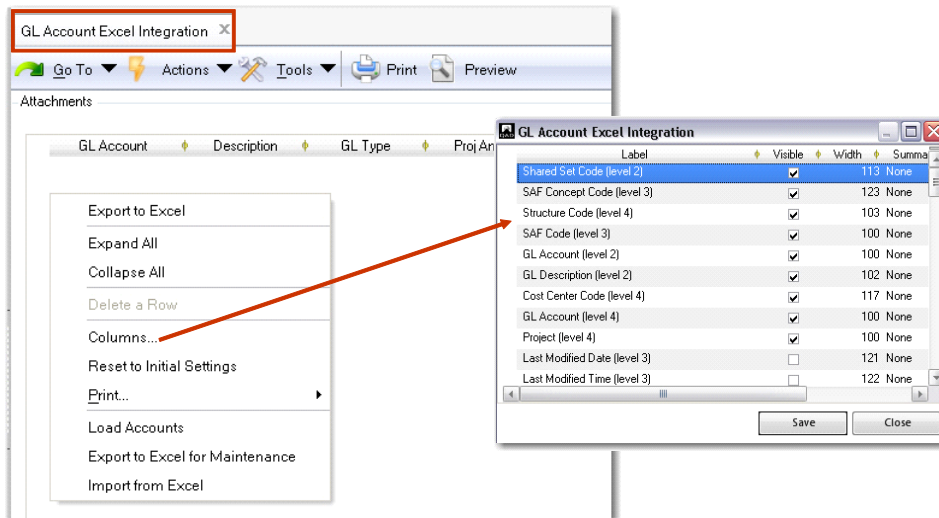


EF-UI-160

Data imported using XML integration.

Advanced Excel Integration

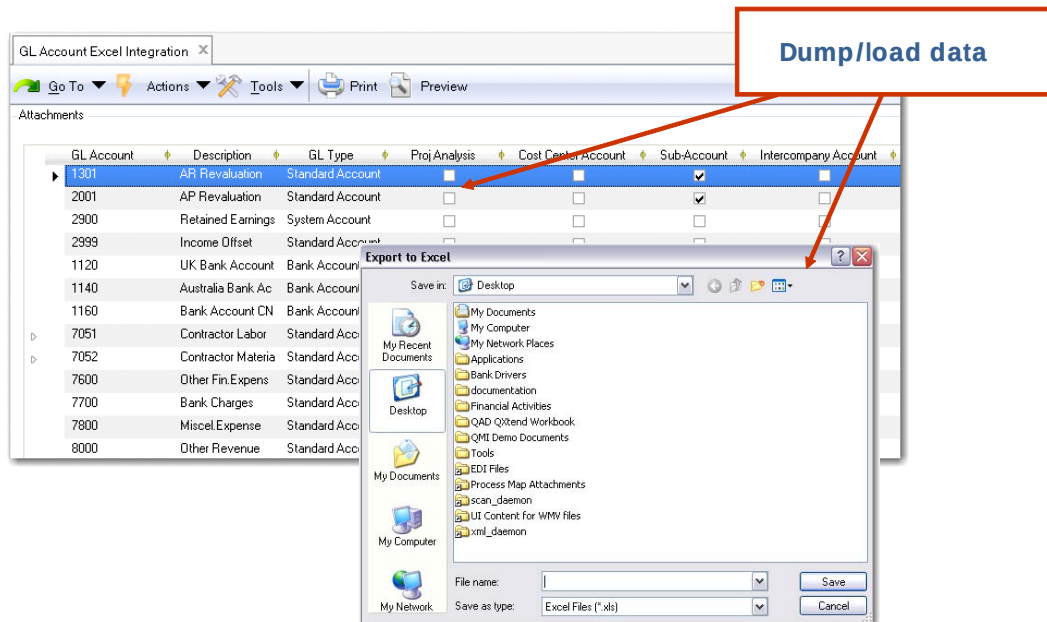
Advanced Excel Integration



With advanced Excel integration, you can export all records for remote maintenance, modify the data, and re-import the saved results into the system database.

Create a blank template that consists of column headings for all fields in a business component and export the template for remote maintenance. You can then create the data in the spreadsheet or load data from another application into the template to import it to the system database.

Advanced Excel Integration



EF-UI-180

Advanced Excel integration is available as a right-click option on the results grid of the following business components:

- GL Account
- Business Relation
- County
- Customer
- Journal Entry
- Payment Formats
- Supplier
- Customer and Supplier Bank Number

You do not have to exit the QAD application before working in Excel. For minor maintenance, it is more convenient to run the applications simultaneously, and to switch back to your QAD application to import the saved data.

You can also use Excel integration to maintain budgets. In the Budget module, the integration is maintained in real time, and is referred to as a hotlink. This feature is discussed in more detail in the Advanced Financials class.

Advanced Excel Integration

The screenshot shows the 'Sales Order Browse' window in the QAD application. The window displays a list of sales orders with columns for Sales Order, Sold-To, Status, Line, Item Number, Unit of Measure, Quantity Ordered, Quantity Open, Due Date, and Quantity Shipped. A callout box labeled 'Export Browse Results' points to the 'Export' button in the window's toolbar. Below the window, an Excel spreadsheet is shown with the same data, demonstrating the export functionality. The spreadsheet has columns A through Q, with the first row containing the headers: Sales Order, Sold-To, Status, Line, Item Number, Unit of Measure, Quantity Ordered, Quantity Open, Due Date, Quantity Shipped, Quote, Ship Type, Purchase Order, Ship-To, Site, Customer Item, and Description.

Sales Order	Sold-To	Status	Line	Item Number	Unit of Measure	Quantity Ordered	Quantity Open	Due Date	Quantity Shipped	Quote	Ship Type	Purchase Order	Ship-To	Site	Customer Item	Description
AUT01	12C1001		1	02200	EA	0.0	0.0	6/20/2010	0.0				12C1001	22-300		
AUT02	22C1000		1	02200	EA	0.0	0.0		0.0				22C1000	22-300		
CS100021	21C1002		1	04001	EA	0.0	0.0		0.0				21C1002	22-400		
SD011101	10C1000		1	03021	EA	100.0	100.0	01/25/2011	0.0				10C1000A	22-300	W/L500	
SD011101	10C1000		2	03022	EA	100.0	100.0	01/25/2011	0.0				10C1000A	22-300	W/L501	
SD011101	10C1000		3	03023	EA	100.0	100.0	01/25/2011	0.0				10C1000A	22-300	W/L502	
SD011101	10C1000		4	03033	EA	100.0	100.0	01/25/2011	0.0				10C1000A	22-300	W/L503	
SD011101	10C1000		5	03090	EA	100.0	100.0	01/25/2011	0.0				10C1000A	22-300	W/L504	
SD011101	10C1000		6	04001	EA	100.0	100.0	01/25/2011	0.0				10C1000A	22-400	W/L505	
SD011102	10C1000		1	03021	EA	100.0	100.0	01/25/2011	0.0				10C1000B	22-300	W/L500	

To export data for maintenance, choose the Excel integration activity for one of the supported record types, such as GL Account. Select a dump location. In the Excel worksheet, make changes or add data, and save. Then return to the application and import the modified data. The system validates any data before importing it. For example, if a mandatory field is missing, the record cannot be imported.

Note The Excel integration function is described in full detail in the Advanced Financials class.

Browse Export to Excel

You can also export browse results to Excel. To export data directly into an Excel spreadsheet, right-click the results screen, and choose Export to Excel from the Actions menu.

The browse results are displayed in a new Excel window. The format of the original grid is preserved in the new spreadsheet.

Note that this data cannot be re-imported to the database.

Browse Highlights

Browse Highlights

- Sort (click heading)
- Drill-down (blue underlined values)
- Filter (funnel)
- Group data
- Rearrange display (drag&drop, columns auto size)
- Graph designer
- Export (xls, doc, pdf or report)
- Print
- Save to Favorites
- Automatic refresh



EF-BRO-200

The Search options in Financials activities let you filter search results in a number of ways, and to save customized search settings for reuse. Whenever you view, modify, or delete a record created in a financial activity, you begin by launching a browse.

Browses provide many convenient features that let you manage search criteria and results in an efficient way. These features are described in the following pages.

Browse Features

Browse Features

Drill-down

Sort

Filter funnel

The screenshot shows the 'Sales Order Browse' window. The table displays columns: Sales Order, Sold-To, Status, Line, Item Number, Unit of Measure, Quantity Ordered, Quantity Open, and Due Date. A right-click context menu is open over the first record (AUT01), showing options like 'Sales Order Master', 'Shipment Transactions', 'Sales Order Credit Maintenance', 'Pending Invoice Maintenance', and 'Sales Order Maintenance'. Arrows point from the feature labels to the corresponding UI elements: 'Drill-down' points to the context menu, 'Sort' points to the 'Item Number' column header, and 'Filter funnel' points to the funnel icon in the column header.

Sales Order	Sold-To	Status	Line	Item Number	Unit of Measure	Quantity Ordered	Quantity Open	Due Date
AUT01	12C1001		1	02200	EA	0.0	0.0	06/20/2010
AUT02	22C1000		1	02200	EA	0.0	0.0	
C100021	21C1002		1	04001	EA	0.0	0.0	
S0011101	10C1000		1	03021	EA	100.0	100.0	01/25/2011
S0011102	10C1000		2	03022	EA	100.0	100.0	01/25/2011
S0011102	10C1000		3	03023	EA	100.0	100.0	01/25/2011
S0011102	10C1000		4	03033	EA	100.0	100.0	01/25/2011
S0011102	10C1000		5	03090	EA	100.0	100.0	01/25/2011
S0011101	10C1000		6	04001	EA	100.0	100.0	01/25/2011
S0011102	10C1000		1	03021	EA	100.0	100.0	01/25/2011
S0011102	10C1000		2	03022	EA	100.0	100.0	01/25/2011
S0011102	10C1000		3	03023	EA	100.0	100.0	01/25/2011
S0011102	10C1000		4	03033	EA	100.0	100.0	01/25/2011
S0011102	10C1000		5	03090	EA	100.0	100.0	01/25/2011

QAD EF-BRO-210

- Sort

You can sort all data in a result list on any of the columns just by clicking the column header. Click on the header again to sort the data in reverse order.

- Filter funnel

Each column features a drop-down filter option. Click the icon to display the available filters and specify the data to display.

- Drill-down

You can right-click on any blue underlined record to access related functions.

Rearrange Display

Rearrange Display

Column auto sized

Rearranged columns

Sort by item

The screenshot displays the 'Sales Order Browse' window. The main table lists sales orders with columns: Sales Order, Sold-To, Status, Line, Item Number, Unit of Measure, Quantity Ordered, Quantity Open, and Due Date. A secondary window shows a list of sales orders sorted by item number. Arrows indicate the process of rearranging columns and sorting by item.

Sales Order	Sold-To	Status	Line	Item Number	Unit of Measure	Quantity Ordered	Quantity Open	Due Date
AUT01	12C1001		1	02200	EA	0.0	0.0	06/20/2010
AUT02	22C1000		1					
CS100021	21C1002		1					
SO011101	10C1000		1					
SO011101	10C1000		2					
SO011101	10C1000		3					
SO011101	10C1000		4					
SO011101	10C1000		5					
SO011101	10C1000		6					
SO011102	10C1000		1					
SO011102	10C1000		2					
SO011102	10C1000		3					
SO011102	10C1000		4					
SO011102	10C1000		5					
SO011102	10C1000		6					
SO011104	10C1001		1	01010	EA	4.0	4.0	01/25/2011
SO011107	10C1003		1	01010	EA	4.0	4.0	01/25/2011
SO011110	11C1000		1	01010	EA	2.0	2.0	01/25/2011
SO011110	11C1000		5	01010	EA	2.0	2.0	01/25/2011
SO011113	12C1000		1	01010	EA	2.0	2.0	01/25/2011
SO011113	12C1000		5	01010	EA	2.0	2.0	01/25/2011
SO011117	20C1002		1	01010	EA	3.0	3.0	01/25/2011
SO011117	20C1002		3	01010	EA	2.0	2.0	01/25/2011
SO081004	30C1001		1	01010	EA	2.0	2.0	08/25/2010
SO081007	10C1003		1	01010	EA	2.0	2.0	08/25/2010
SO081010	31C1000		1	01010	EA	1.0	1.0	08/25/2010
SO081010	31C1000		5	01010	EA	1.0	1.0	08/25/2010
SO081013	22C1001		1	01010	EA	1.0	1.0	08/25/2010

QAD EF-UI-230

You can change the column order by clicking the column header in the browse screen and dragging it to another position in the results list. A red arrow indicates the place where that column will be dropped when you release the mouse button.

Browse Features

Browse Features

Column options

Group

Summary options

The screenshot shows the 'Sales Order Browse' window. The grid displays data grouped by 'Due Date'. A right-click context menu is open over the 'Due Date' column header. The menu includes options like 'Autosize Columns', 'Group By Quantity Shipped', 'Summary', 'Hide Column', 'Reset to Factory Settings', 'Columns', and 'Properties'. The 'Summary' option is selected, and a sub-menu is visible showing 'Count', 'Sum', 'Average', 'Minimum', and 'Maximum'.

Adjust the column size by clicking on the border of the column header and dragging the border to the left or the right.

Make additional adjustments to column settings by right-clicking on any column header and choosing the Columns option.

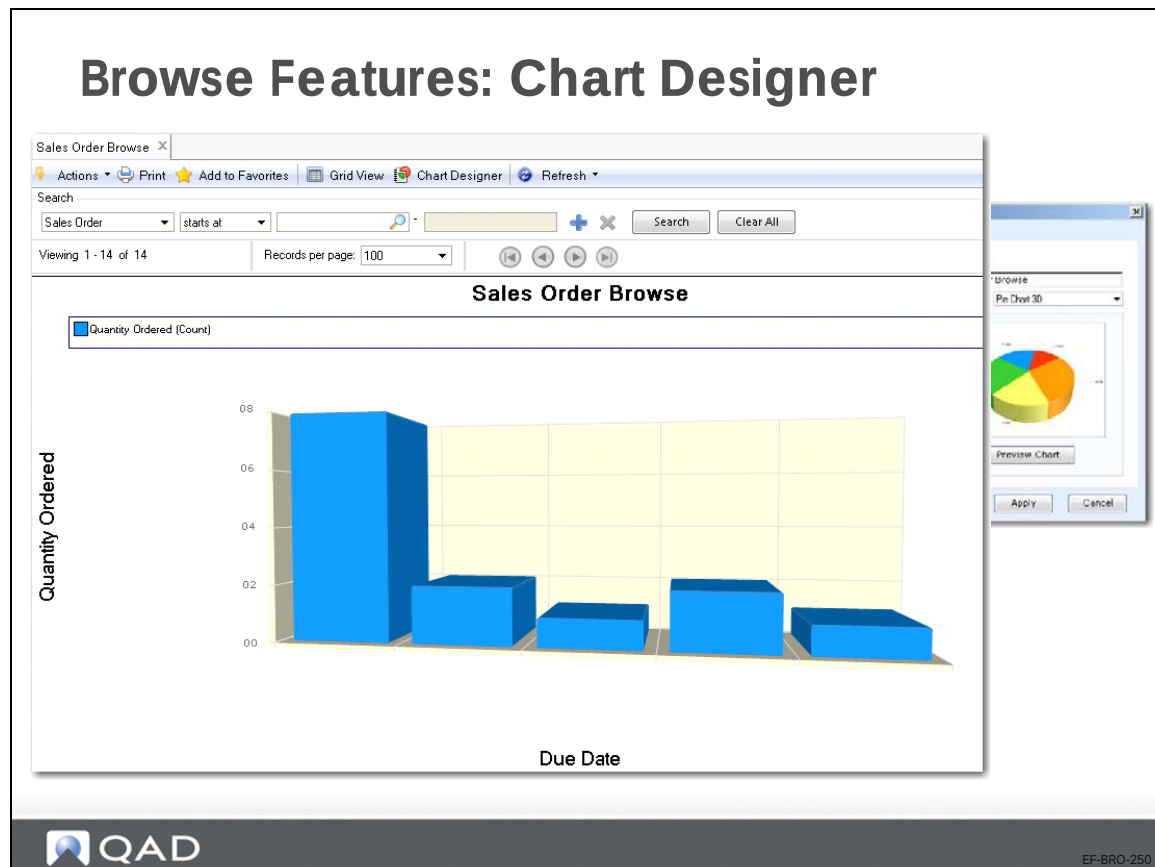
Group

Use the right-click Group option to group data by column type. The grid now displays a summary of the column data, with different elements sorted into groups. Each group in the list can be expanded using the plus sign next to the group.

Summarizing Results

The Summary option displays summary information, depending on the column header in which you have clicked: count, sum, average, minimum, maximum. Note that you will only see meaningful results if the operator you choose applies to the data type.

Chart Designer



Using the browse Chart Designer feature, you can generate graphical representations of browse data. Toggle between the standard browse display (called the grid view) and the new chart view. Using the Chart View editor, you can select data in a browse and display it as a pie chart or bar graph.

Browse Features

Export
Print
Add to Favorites
Refresh

The screenshot shows the 'Sales Order Browse' window. The 'Actions' menu is open, displaying options: Export to CSV, Export to Excel, Export to PDF, Workflow, E-mail, and Report. The toolbar includes buttons for Print, Add to Favorites, Chart, Chart Designer, Refresh, New, and Edit. Below the toolbar is a search area with a 'starts at' dropdown, a search input field, and 'Search' and 'Clear All' buttons. A 'Records per page' dropdown is set to 'All'. Below this is a table of sales order data.

From	To	Status	Line	Item Num	Due Date	Unit of Measure	Quantity Ordered	Quantity Open
SO011104	10C1001		1	01010	01/25/2011	EA	4.0	4.0
SO011107	10C1003		1	01010	01/25/2011	EA	4.0	4.0
SO011110	11C1000		1	01010	01/25/2011	EA	2.0	2.0
SO011110	11C1000		5	01010	01/25/2011	EA	2.0	2.0
SO011113	12C1000		1	01010	01/25/2011	EA	2.0	2.0

QAD

EF-BRO-260

You can export, print, and refresh browse results by clicking the buttons on the menu toolbar.

You can save a browse with specific search criteria to your Favorites.

US and EMEA Exercise: UI Navigation

Note In the US, log in to entity 10USACO. In EMEA, log in to entity 22UKCO.

- 1 Log on to QAD Enterprise Applications with the credentials given by your instructor.
 - a Familiarize yourself with the interface.
 - b Click on menu options and go down the menu tree.
 - c Open your inbox.
 - d Change the active workspace.
- 2 Look for the menu item Sales Order Browse (remember the three options to search for a menu item).
 - a Look for the menu number. Right-click on the menu name and select Menu Properties.
 - b Add Sales Order Browse to your Favorites (drag and drop).
 - c Rename Sales Order Browse in your Favorites pane.
- 3 Go to Sales Order Browse.
 - a In the header Record per page field, select All.
 - b Click one heading to sort (for example, Due Date).
 - c Move columns to create a more suitable display (drag and drop).
 - d Try filtering the data, for example, by item number (click on the funnel icon).
 - e Right-click on a sales order number. Click on Sales Order Master and review the record.
 - f Right-click on a column header. Select Show Group By Box.
 - g Drag and drop the Due Date column header to this area. Click on a + sign to drill down.
 - h Drag and drop the Item Number column header to this area.
 - i In the menu bar, click Actions - Export to Excel. Save to your desktop.
 - j Review the created Excel worksheet. The grouping is preserved.
 - k Go back to the application. Records per page: select 10.
Click on Chart Designer.
X Variable: Select Due Date.
Y Variable: Select Qty Ordered.
Chart Type: Select Column Chart 3D
Click Apply.
- 4 Go to GL Account Excel Integration (25.3.13.5).
 - a Right-click and select Load Accounts.
 - b Right-click and select Columns.

- c Select the columns that you want to export. Deselect the ones you do not want to export.
- d Right-click and select Export to Excel for Maintenance.
- e Review the data. Look at row 2. It contains important information for the system to reload the data after maintenance. Do not modify the data on this row.
- f Now, you can modify the data, and import it into the system. (Do not complete this step to avoid creating issues in the database that might prevent you from completing the subsequent exercises).

Chapter 3

Setting Up Financial Foundations

Objectives

Objectives

- Understand the business considerations related to setting up the financial foundations in QAD Enterprise Edition
- Be able to set up financial foundations in QAD Enterprise Financials for a given business model
- Understand the configuration impact on operations



EF-FFSB-020

In this section, you will learn how to set up financial foundations based on specific business requirements, and what impact certain financial configurations have on business operations.

Overview—Continued

Overview

- Corporate structure setup
 - Domains
 - Currency
 - Shared set codes
 - Profiles
 - Accounting Layers
 - Daybooks
 - Entities
 - Address data
 - Business relation
- Security setup
 - Users, roles, permissions
- Tax setup
- Exercise: Domain and entity creation



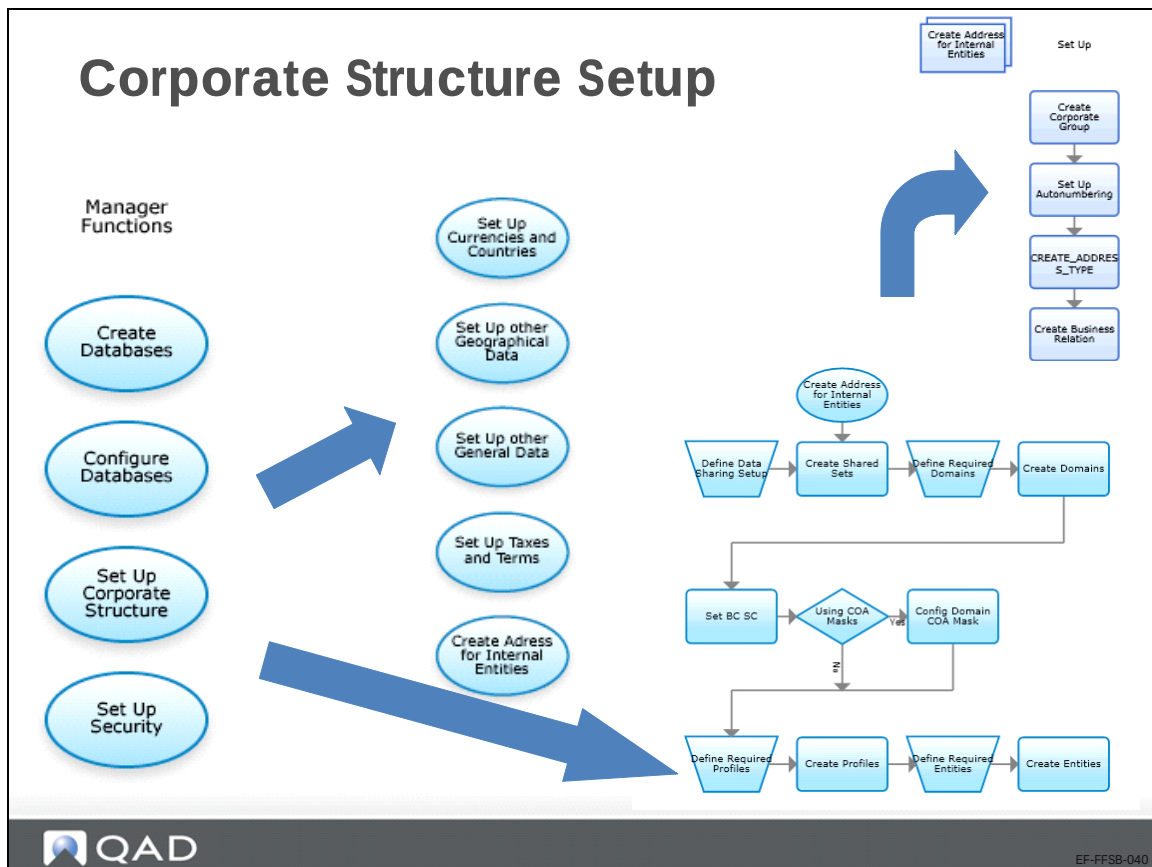
EF-FFSB-030

This section describes how to set up a new entity (company), and all of the data elements linked to an entity.

The first step is to determine the corporate structure to set up, such as the number of domains and entities required, the tax setup, and data sharing. When this step is complete, you can set up domains and entities, and roll out the security model.

We will review these steps in detail, and follow up with an exercise.

Corporate Structure Setup



Within QAD Enterprise Financials, you have access to an Industry Process Model (40.1), which contains several layers. We recommend you use this model as best practice when you define your company's processes and procedures.

The slide shows the four layers of process maps related to corporate structure setup. In each chapter, this training guide shows screenshots of process maps as a best practice reference.

Currency-Related Data

Currency-Related Data

The screenshot displays three overlapping windows from the QAD software interface:

- Currency Create**: A window for creating a new currency. Fields include:
 - Currency Code: EUR
 - Currency Description: Euro
 - Decimals Description: Eurocent
 - Rounding Method: 2
 - Rounding Method Description: Round to hundredths
 - Active: ☒
- Rounding Method - Modify**: A window for modifying a rounding method. Fields include:
 - Code: 0
 - Description: Round to Ones
 - Unit: 1.000
 - Threshold: 0.5000
- Exchange Rate Type Browse**: A window showing a list of exchange rate types. The list includes:

Rate Type	System
ACCOUNTING	yes
BUDGET	yes
CASH	yes
INTRASTAT	yes
INVENTORY	yes
REVALUATION	yes
STATUTORY	yes
VAT	yes

The QAD logo is visible in the bottom left corner, and the text "EF-FFSB-050" is in the bottom right corner.

Currency-related data, such as codes, rounding methods, and rate types, are used database wide, across domains. Therefore, you must set up this data first, using the following functions:

- Currency Create/View/Modify (26.1, 2, and 3)
- Rounding Method Create/View/Modify (26.2.1, 2, and 3)
- Exchange Rate Type Create/View/Modify (26.3.1, 2, and 3)

Shared Set Codes

Shared Set Codes

- One set of codes supplied with system
- Determined by specific corporate structure

Shared Set Create

Go To Actions Tools Attach Print Preview

Attachments

Shared Set Code ASIACust

Shared Set Description ASIAPAC Customer Shared Set

Shared Set Type Customer

Active ☒



EF-FFSB-060

Next, set up as many shared set codes as required for your corporate structure. Shared set codes identify financial data that can be shared across selected domains.

Use Shared Set Create (36.1.1.3.1) to create shared set codes.

Shared Set Data Setup

Shared Set Data Setup

- Financial data shared across domains
- Minimum one shared set code of each type of data
- Use profiles to link one shared set type to data in another shared set type.
 - Example: customers and suppliers link to control account



EF-FFSB-070

Profiles are used to link data from one shared set to data in another shared set.

Shared Set Types

Shared Set Types

- Exchange rates
- GL accounts
- Sub-accounts
- Sub-account mask
- Cost centers
- Cost center mask
- Projects
- Project mask
- Daybooks
- Suppliers
- Customers



EF-FFSB-080

There are eleven shared set data types. There should always be at least one shared set code by type. The system includes one default group of shared set codes.

Data Setup Example with Profiles

Shared Set Data Setup with Profiles

- 1 Supplier (Supplier Shared Set): MyVendor
- 3 Domains: US, EMEA, ASIA
- 3 COA (GL Shared Sets)

Supplier: **MyVendor** (exists in domains A, B, C)

Profile for Supplier Account Control Invoices:

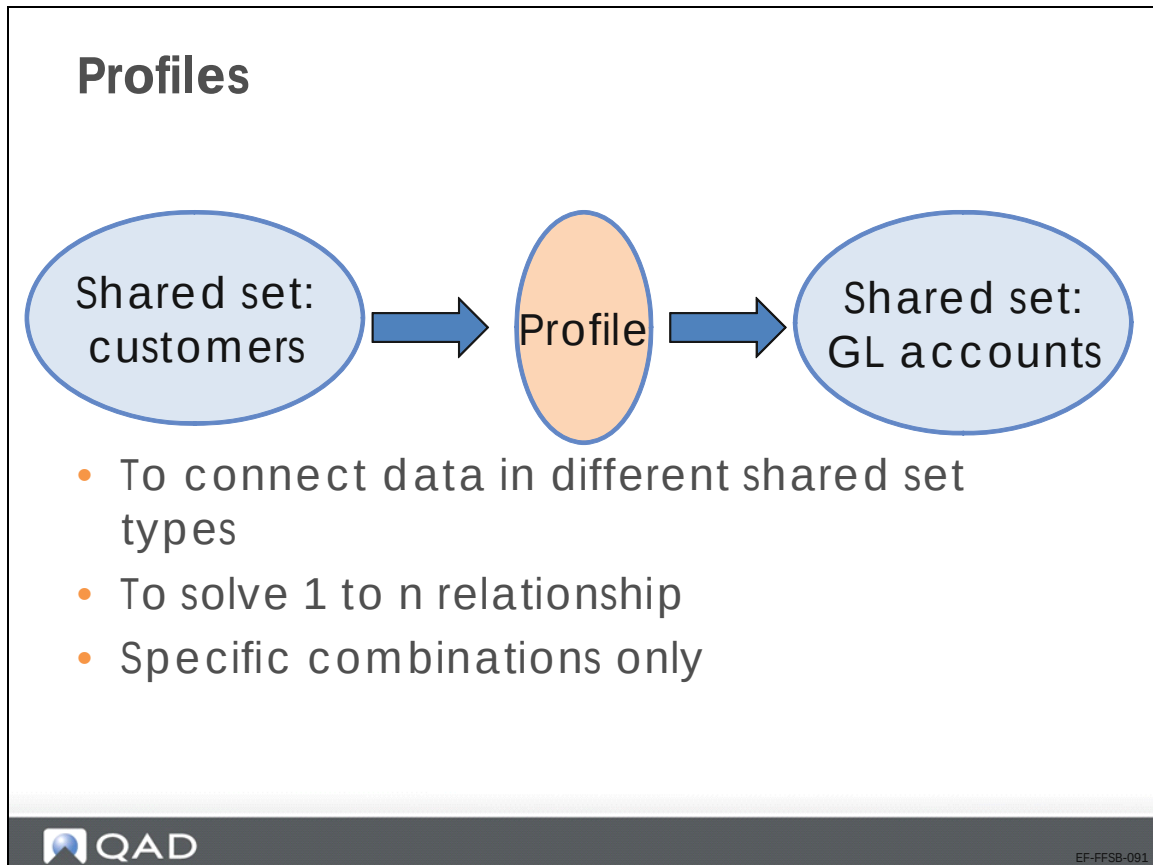


EF-FFSB-090

If several domains shared the same supplier shared set, but had different charts of accounts, how would you enter a supplier control account in a supplier record? There would be two control accounts, depending on the domain the transaction originated from, but only one field in Supplier Create.

To solve this, you can create profiles and link them to different domains. Instead of entering a supplier control account, you can enter a profile code in the supplier record.

Profiles



Profiles are used to link data in one shared set type to data in another shared set type in order to solve the one-to-many relationship issues that can arise.

Only specific combinations are possible, and are defined by profile types.

Profiles Setup Highlight

Profiles Setup Highlights

- Ten predefined profile types
- In the grid, specify records to link to the profile for each listed shared set (domain)

Linked Object	Object Description	Shared Set
25500		Default General Le
17500		DefaultGL
2000	Accounts Payable	QMS-GL-US
15000	Accounts Payable	QMS-GL-EMEA



EF-FFSB-092

There are 10 predefined profile types (see the next page).

Use the Profile activities (36.1.1.4) to create, view, modify, and delete profiles.

In the grid under Linked Object, specify a record to link to this profile. For example, for a supplier account profile, you select a specific account from each account shared set. Then, when you associate this profile with a supplier in the Purchase Account Profile field, a valid account is available, regardless of which company references the supplier.

In the Shared Set column, records are populated when the shared set type in the header is selected; it cannot be modified.

Profile Types

Profile Types

- Daybook and GL Accounts
 - Banking entry
 - Cash: Paid and Received daybook
- GL Account and Customer
 - Customer account
 - Sales account
- GL Account and Supplier
 - Supplier account
 - Purchase account
- GL Account and Default Values
 - Sub-Account
 - Cost center
 - Project



EF-FFSB-093

Different profile types exist, depending on the combination shared set type that is covered by the profile.

Accounting Layer Highlights

Accounting Layer Highlights

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



EF-FFSB-94

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

Transient accounting layers enable temporary posting for review or analysis, before official posting and publication of accounts. When a daybook is associated with the transient layer, transactions are posted to this layer for temporary review. If the daybook is associated with the primary layer, transactions are immediately posted to the general ledger.

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

Auditor adjustments are generally applied in the secondary layer. IFRS and US GAAP requirements are also implemented in secondary layers. When transferring between layers, the daybooks must be of the same type. You can transfer only from the transient layer to the other layers. When the transaction is transferred, a new daybook and reference is created for it.

Primary Layer

The primary layer is mandatory and system defined. All official postings are posted to the primary layer, and cannot be deleted or transferred to another layer. The primary layer is used for statutory postings; for example, fiscal stock valuation or fiscal depreciation.

Secondary Layer

The secondary layer is usually used for management accounts. Types of posting suitable for the secondary layer include accruals, stock valuation, elimination postings for consolidation, auditing adjustments, or for IFRS and GAAP specific requirements. The secondary layer is also optional, and you can define custom secondary layers, which behave in the same way as the system defined layer. Postings to the secondary layer do not update account balances.

Transient Layer

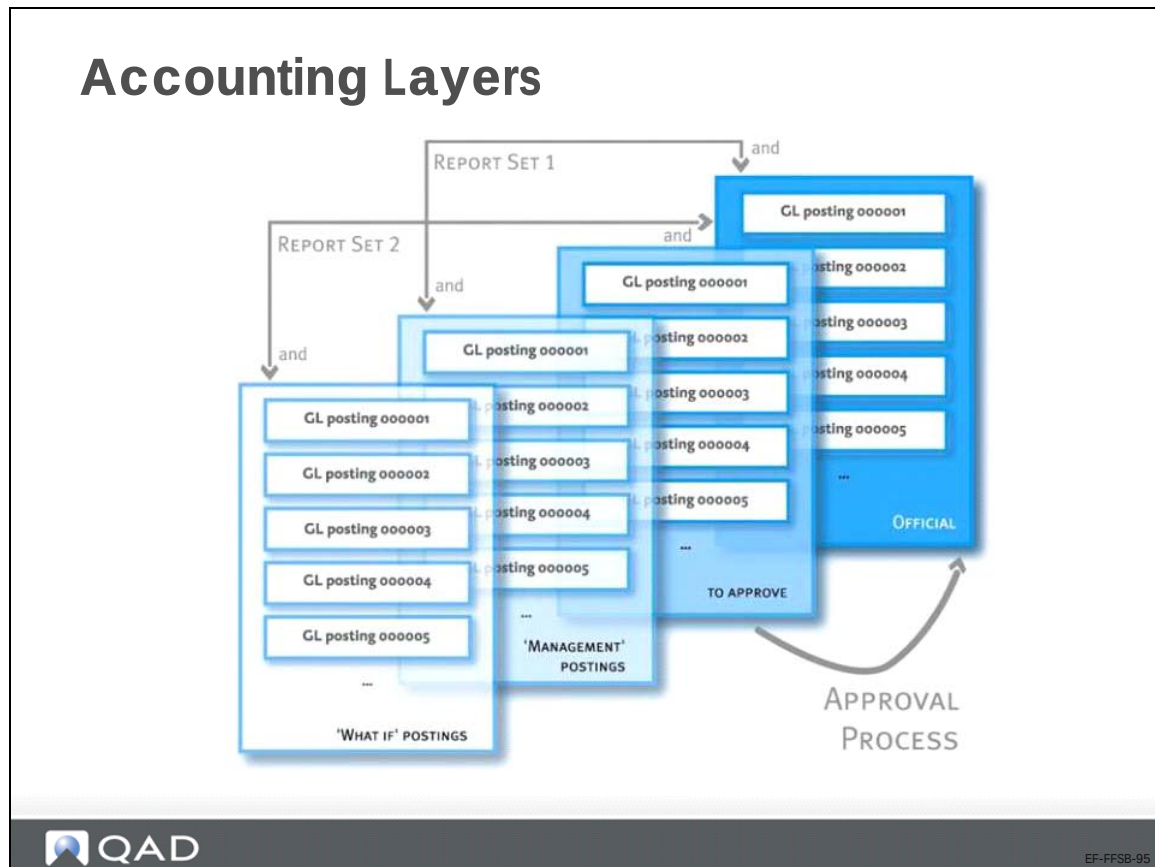
The transient layer is used for postings for internal use only, and should be separate from legal accounting. Certain transactions can, for example, require approval by management before being officially posted. Accounting transactions can be registered in transient layers and then transferred to primary or secondary layers. Reporting can be applied to combinations of layers to produce a complete record of transaction records.

You can post a limited number of transactions to the transient layer:

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

The transient layer is optional. Transactions posted to this layer have no impact on GL, and can be modified or deleted. You can also define custom transient layers, that behave in the same way as the system defined transient layer.

Accounting Layers—Continued



All transaction posting lines are recorded in daybooks that point to a specific accounting layer. You can transfer postings from one layer to another (for example, transient to primary) by changing the daybook, or you can transfer postings in batch using Mass Layer Transfer Execute.

You can select multiple layers in reports, allowing what if simulations and management reporting.

Daybooks

Daybooks

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



EF-FFSB-96

Daybooks, also known as journals, are system- or user-defined views of the general ledger, and contain all transactions. The use of daybooks is mandatory in all modules. Daybooks provide many advantages in terms of analysis, segregation of transactions, numbering, and consequently, speed of period close.

Using different types of daybooks lets you group GL transactions to satisfy legal reporting requirements or to ensure that GL reporting is consistent with common business practices:

Financial daybooks accept postings that originate from financial functions, such as the general ledger, AR, and AP.

Operational daybooks are used for postings that originate from operational functions, such as Sales, Inventory Control, Fixed Assets, and Manufacturing.

External daybooks can be used with an interface to external systems, such as payroll systems.

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

Once daybooks are defined, you can use the Daybook field as a selection criterion on many GL reports and views.

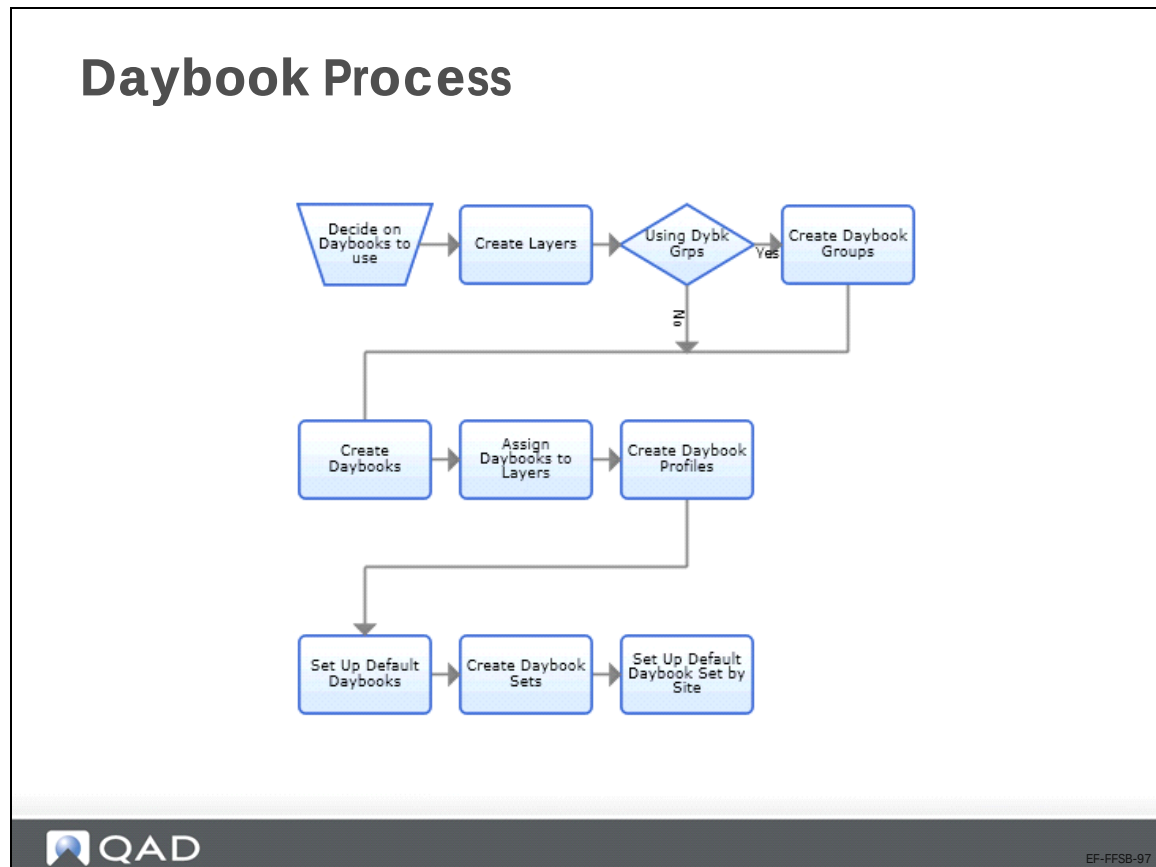
Daybooks record transactions chronologically, providing dated records of the entire financial activity of the entity. Daybooks also provide a controlled mechanism for having several different transaction numbering sequences. The numbering system prevents fraud, since each daybook produces its own integral numbering sequence.

Daybook groups let you link numerous daybooks together so they can be reported on as a group; for example, you can create a group for all domestic supplier invoices. Define daybook groups using Daybook Group Create (25.8.2.1). Link a daybook group to a daybook using the Daybook Group field in Daybook Create (25.8.1.1).

Reporting Daybook Modify (25.13.1.15) lets you change the reporting daybook code on financial transactions created using customer and supplier invoice and payment functions, Banking Entry Create (31.1.1), Open Item Adjustment Create (25.13.5), Petty Cash Create, and Invoice Post and Print (7.13.4).

For invoice-type transactions, the reporting daybook normally matches the posting daybook. However, if a transaction is posted using an incorrect daybook, use Reporting Daybook Modify to modify the reporting daybook to ensure that the transaction is reported correctly. You can also use Reporting Daybook Excel Integration (25.13.1.16) to update the reporting daybook.

Daybook Setup Process



The slide above displays the daybook setup process. After you create daybooks and associate them with layers, you can define daybook sets, profiles, and defaults.

Daybook Groups

Daybook Groups

- Link daybooks together for reporting purposes
- Optional functionality
- Create groups in Daybook Group Create
- Link groups to daybooks using Daybook Create
- If you create a daybook group:
 - They become mandatory
 - Users must then specify a group when creating daybooks

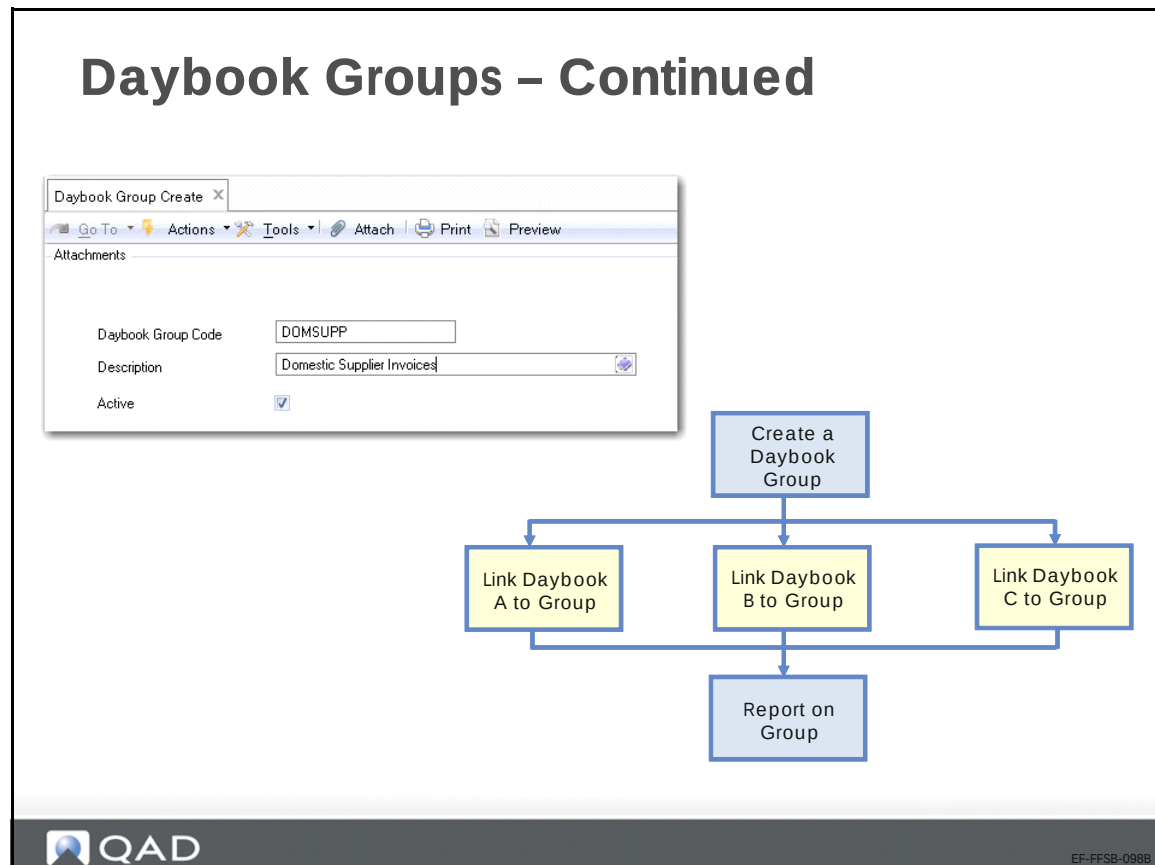


EF-FFSB-098A

Daybook groups link multiple daybooks together so they can be reported on as a group, for example, you can create a group for all domestic supplier invoices. Link a daybook group to a daybook using the Daybook Group field in Daybook Create (25.8.1.1).

When a daybook group is created, it becomes mandatory that users specify a daybook group value in Daybook Create (25.8.1.1).

Daybook Groups—Continued



Use Daybook Group Create (25.8.2.1) to define reporting daybook groups.

Use Daybook Group Delete (25.8.2.4) to delete a daybook group if no daybooks have been associated with the group.

Daybook Creation

Daybook Create



EF-FFSB-98

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

The Second Description fields lets you specify an additional description of the types of transactions posted to this daybook. You can display this description on the GL Numbering report and the GL Transactions by Account report.

Once a daybook has been used it cannot be deleted, but it can be deactivated.

Prior to deactivating a daybook, ensure that there are no unposted transactions in the operational functions that reference the daybook. If unposted transactions exist, the daybook cannot be deactivated until these transactions are posted.

Link a daybook group to a daybook using the Daybook Group field in Daybook Create/Modify.

The Access Role field lets specify a role to restrict access to the daybook. Only users with that role can post transactions to the daybook. You can specify a role for the following types of daybook:

- Journal Entries, for Daybook Control types other than Operational
- Consolidation
- Matching

If no role is specified for a daybook, the daybook can be used by all roles.

Operational Daybooks

Operational Daybooks

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



EF-FFSB-099

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

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

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

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

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

Default Daybooks

Default Daybook Maintenance

The image displays two screenshots of the 'Default Daybook Maintenance' window. The top screenshot shows the 'Transaction Type' set to 'SO' and 'Document Type' set to 'I', both circled in blue. The 'From Entity' and 'To Entity' fields are empty. The 'Daybook' field contains 'MADB1'. The bottom screenshot shows the 'Transaction Type' set to 'IC' and 'Document Type' set to an empty field, both circled in blue. The 'From Entity' is '1000' and 'To Entity' is '1000', also circled in blue. The 'Daybook' field contains 'INVJOUR'. Both screenshots show a toolbar with 'Go To', 'Actions', 'Copy', 'Print', and 'Preview' buttons.

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

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

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

Daybook Sets

Daybook Sets

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



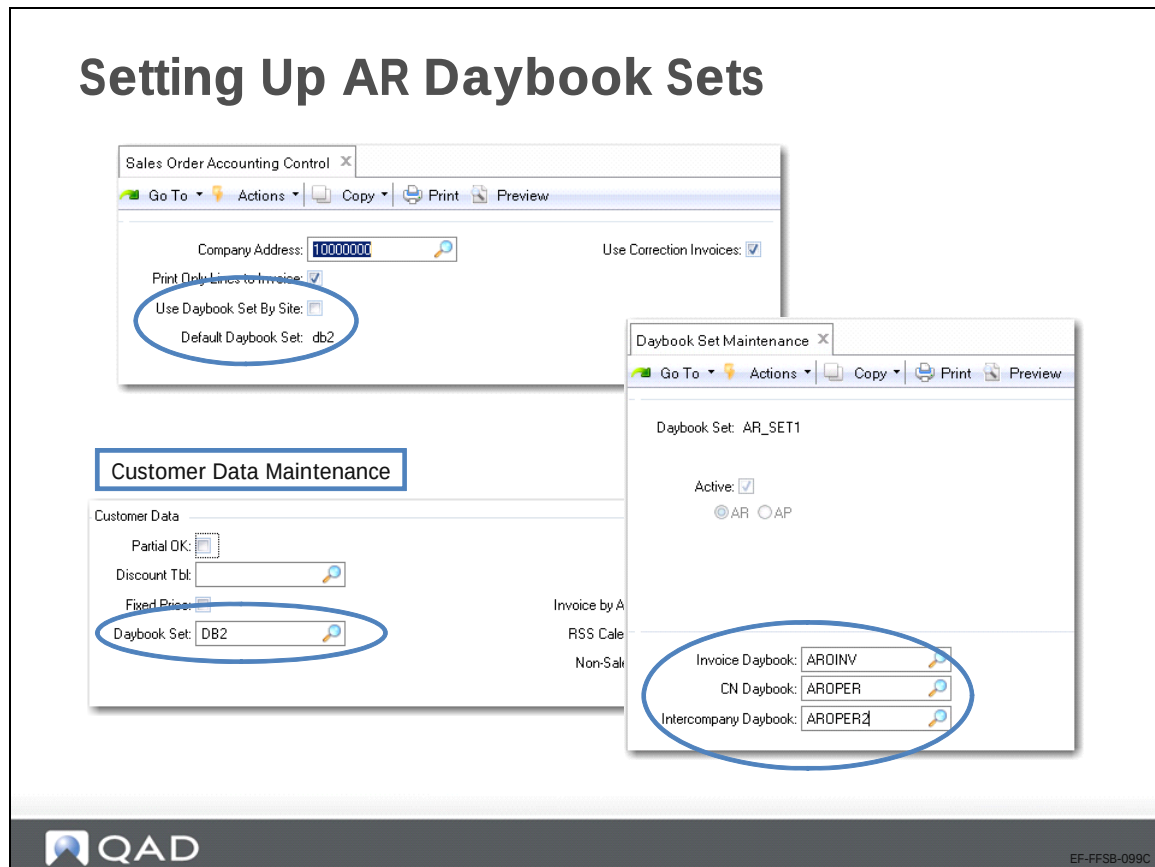
EF-FFSB-099B

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

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

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

Setting Up AR Daybook Sets



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

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

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

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

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

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

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

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

Setting Up AP Daybook Sets

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

Top Left Screenshot: Purchasing Accounting Control
This window shows various fields for supplier data. The "Use Daybook Set By Site" checkbox is highlighted with a blue circle. Other visible fields include "Bill To: 10000000", "Price by PO Line Due Date", "PO Interest Accrued Acct: 6900", "PO Interest Applied Acct: 2270", "Next Fiscal Batch: 1", "Print Tax ID - Misc on PO", and "Default Daybook Set: ITL DBS".

Top Right Screenshot: Daybook Set Maintenance
This window shows the configuration for the "Italian Daybook Set". The "Active" checkbox is checked. Below, the "Invoice Daybook" is set to "ITLAPINV" and the "CN Daybook" is set to "ITLAPCN", both highlighted with a blue circle. Other fields include "Currency: USD", "Language: us", "Daybook Set: ITL DBS" (highlighted with a blue circle), "Site: 10000", "Kanban Supplier", and "Promotion Group".

Bottom Left Screenshot: Supplier Data Maintenance
This window shows the "Supplier Data" section for "Acme Supply Co.". Fields include "Supplier", "Ship Via", "Remarks", "Carrier", and "Purchase Contact".

Bottom Right Screenshot: Supplier Data Maintenance (Continued)
This window shows the "Supplier Data" section for "Acme Supply Co.". Fields include "Currency: USD", "Language: us", "Daybook Set: ITL DBS" (highlighted with a blue circle), "Site: 10000", "Kanban Supplier", and "Promotion Group".

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

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

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

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

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

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

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

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

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

- Blanket Order Maintenance (5.3.1)

US Exercise: Daybook Setup

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

Log in to 10USACO.

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

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

Field	Group 4	Group 5	Group 6
Daybook Group Code	REV-TRANS	TR-ACCRUAL	MIRR-ACC
Description	Revaluation Transactions	Transient Accruals	Mirroring

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

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

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

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

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

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

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

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

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

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

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

EMEA Exercise: Daybook Setup

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

Log in to 22UKCO.

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

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

Field	Group 4	Group 5	Group 6
Daybook Group Code	REV-TRANS	TR-ACCRUAL	MIRR-ACC
Description	Revaluation Transactions	Transient Accruals	Mirroring

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

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

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

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

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

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

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

Click Next to go from screen to screen.

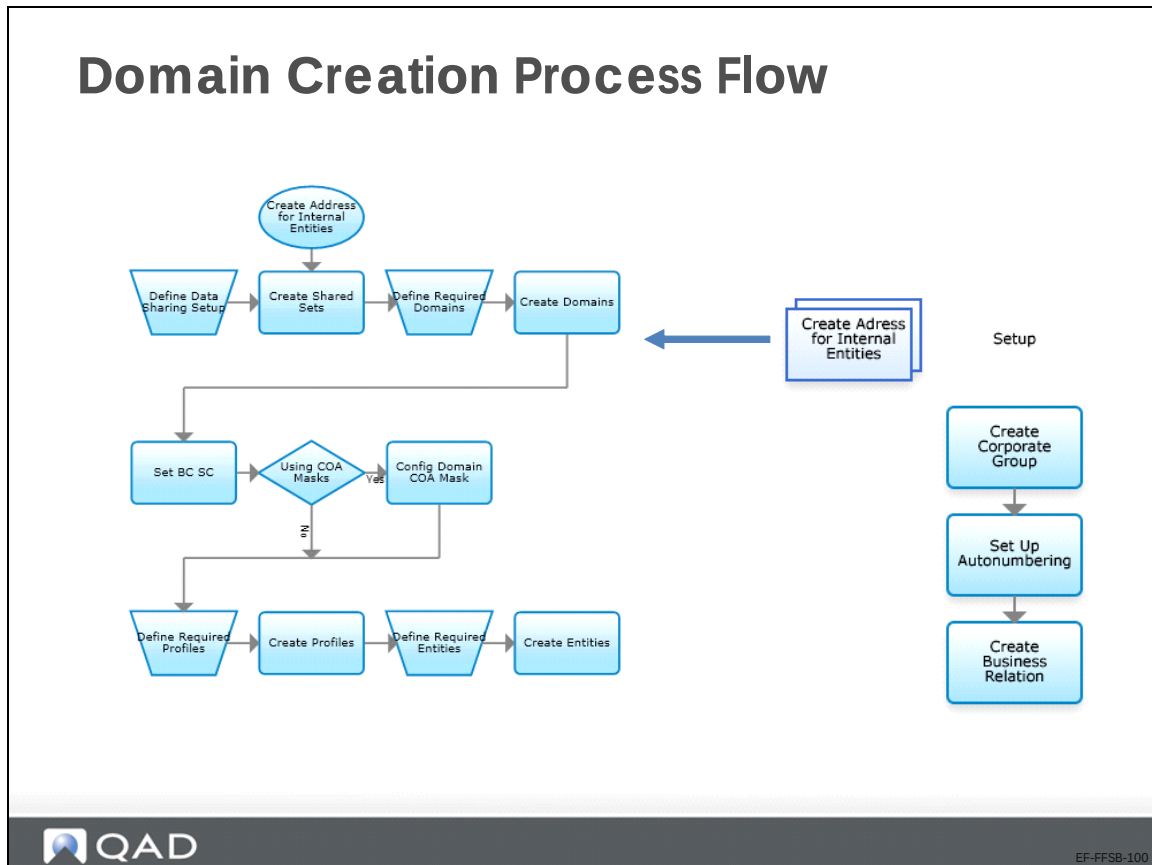
Field	Value
Daybook Set	22SALES
Site	22-100
Type	AR
Active	Yes
Copy from Site	<blank>

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

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

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

Domain Creation Process Flow



When you have defined system-wide data and shared sets, you can start to set up domains. The process maps above display the steps involved in creating domains.

Domain Create Menu

Domain Create

The screenshot shows the 'Domain Create' window in QAD. The 'General' tab is selected, displaying the following fields and options:

- Domain:** EMEADOM
- Name:** EMEADOM
- Search Name:** EMEADOM
- Primary Entity:** EMEAENT1
- Active:** ☒
- Setup Complete:** ☐

Below these fields are several tabs: General, Shared Sets, Operational, Cross-Company, and Invoice Numbering. The 'General' tab contains the following settings:

- Base Currency:** EUR
- Statutory Currency:** EUR
- Statutory Currency Enabled:** ☐
- Time Zone:** (empty)
- Language Code:** us
- Type:** (empty)
- Use Withholding Tax:** ☐
- Tax Validation:** ☐

At the bottom, there is a section for 'COA Mask' with three rows, each having a mask type and a 'COA Element without Mask' dropdown:

Mask Type	COA Element without Mask
Sub-Account Mask	Exclude From Posting
Cost Center Mask	Exclude From Posting
Project Mask	Exclude From Posting



EF-FFSB-110

Use Domain Create (36.1.1.1.1) to define domain data, including the base currency, statutory currency, and shared set codes. You can specify values in fields, such as Primary Entity, after the entities have been defined.

Select the Setup Complete field after all the necessary domain data has been set up and you consider the settings permanent. After selecting the Setup Complete field and saving, the shared set codes, linked entities, and the base currency cannot be modified. The domain is only available to operational functions after its setup is complete.

Link Domain to Shared Sets

Link Domain to Shared Sets

Domain Create

Go To Actions Tools Attach Print Preview

Attachments

Domain: EMEADOM Primary Entity: EMEAGENT1

Name: EMEADOM Active: ☒

Search Name: EMEADOM Setup Complete: ☐

General **Shared Sets** Operational Cross-Company Invoice Numbering

Shared Set Code	Shared Set Type
Project	
Project COA Mask	
Sub-Account COA Mask	
Cost Center COA Mask	
Cost Center	
Supplier	
Customer	
Sub-Account	
Exchange Rate	
General Ledger	
Daybook	



EF-FFSB-120

On the Shared Set tab in the domain record, specify a code for each shared set type. You can modify the domain shared set data until the domain setup is confirmed.

Each entity in the domain will use the same shared sets.

Domain Level Data

Domain Level Data

- Base currency and statutory currency
 - Domain Create
- Default GL accounts
 - Domain/Account Control
 - Verify GL accounts field
- COA Masks
- GL calendar
 - Domain GL Period Create
- Tax rates
- Most operational data
 - Items, purchasing, sales and manufacturing setup



EF-FFSB-130

In Domain Create (36.1.1.1.1), define the domain base currency, and, optionally, the statutory currency.

After the chart of accounts is set up, you will return to this menu to define the default GL accounts, and to set the Verify GL accounts field to Yes to ensure proper posting. Later sections describe the use of COA masks to validate GL account combinations.

The GL calendar and the tax calendar can differ. Define them respectively in Domain GL Period Create (25.4.1.1) and Tax Period Create (25.4.4.1). You can copy the tax period from the GL period if they are the same.

Tax rates are the only tax elements that are defined at domain level. Create them in Tax Rate Maintenance (29.4.1)

Most operational data is defined at domain level, such as items, purchasing, sales and manufacturing setup.

Domain Level Data

The screenshot displays several overlapping windows in the QAD software interface, illustrating the configuration of domain-level data:

- Domain Create**: A window for creating a new domain. Fields include Domain (EMEADOM), Name (EMEADOM), Search Name (EMEADOM), Base Currency (EUR), Statutory Currency (EUR), and Time Zone.
- Domain/Account Control**: A window for setting domain and account control. Fields include Base Currency (EUR), Entity (10), and Default Domain Language (us).
- Domain GL Period Create**: A window for creating GL periods. It shows a table of GL Periods (GL Per) with columns for Start Date, End Date, GL Period Type, and Last Modified User.
- New Year**: A dialog box for creating a new year. It asks "How to Create" and offers options: "Copy From GL Calendar Year" (with a dropdown set to 2010) and "Create Manually".
- Tax Rate Maintenance**: A window for maintaining tax rates. It includes fields for Tax Type, Item Tax Class, Tax Usage, Effective Date, Tax Code, and Tax Rate (10.00%). It also shows a list of tax reasons and a table of tax rates.

The QAD logo is visible in the bottom left corner, and the text "EF-FFSB-140" is in the bottom right corner.

Account defaults and control, GL periods, and tax rates are set up at domain level. Use Domain/Account Control (36.9.24), Domain GL Period Create (25.4.1.1), Tax Period Create (25.4.4.1), and Tax Rate Maintenance (29.4.1) to configure this data.

Entity Setup

Entity Setup

- Prerequisites:
 - Active domain
 - Address data
 - Business relation
- Independent financial unit
 - Separate balance sheet, income statement and tax declaration
- Base currency, statutory currency, and shared sets equals domain
- Entity-specific data:
 - Employees
 - Bank account numbers



EF-FFSB-150

Use the Entity activities (36.1.1.2) to create, view, and modify entities in an active domain. Entities represent independent financial units within a business, for which you assess taxes and generate separate balance sheets and income statements. Each entity within a domain inherits the domain base currency, and uses the same shared set data.

Note You cannot delete entities; instead, make an obsolete entity inactive.

A business relation code is associated with an entity to provide address information on printed documents. Prerequisites for creating an entity are an active domain and a business relation.

Entity specific data includes employees and the company's bank account numbers.

Also, your system workspace is an entity. You cannot log in to a domain directly.

Address Related Data

Address Related Data

Country Create X State Create X County Create X Language Create X Address Type Create X Corporate Group Create X

Go To Actions Tools Attach Print Preview

Attachments

Country Code

Description

EU Member ☐

Postal Format

Active ☒

Tax Format	Last Modified User	Last Modified Date	Last Modified Time

QAD EF-FFSB-160

Depending on your local requirements, prerequisites to setting up an entity may include:

- Countries
- States
- Counties
- Address types
- Corporate groups
- Languages

Business Relations Setup

Business Relations Setup

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



EF-FFSB-170

Business relations are defined at database or, alternatively, at domain level, and are a prerequisite to creating entity, employee, customer, or supplier records. You can create a new business relation when creating one of these records. Business relations can have different types of address, as shown in the slide.

Other address types exist in the system and are defined elsewhere in the system:

- Bill-to (Customer Create (27.20.1.1))
- Ship-to (Customer Ship-To Create (27.20.2.1))
- End user (End User Create (27.20.3.1))
- Company (Company Address Maintenance (2.12))

Business Relations Features

Business Relation Features

- Combine multiple debtor, creditor positions
- Allows for AR, AP netting and inter-company transactions

The screenshot shows the 'Defaults' tab of a QAD Business Relation record. The 'Language Code' is set to 'us'. The 'Domain Restricted' checkbox is checked. The 'Internal Entity' checkbox is checked. The 'Intercompany Code' field is empty. The 'Intercompany' checkbox is checked. The 'Customer/Supplier Compensation Allowed' checkbox is checked and circled in red. The 'Tax Report' checkbox is unchecked. The 'Name Control' field is empty. The 'Last Filing' checkbox is unchecked.

If a business relation applies to both a customer and a supplier, you can choose to allow netting of accounts payable and accounts receivable by selecting the Customer/Supplier Compensation Allowed field.

The entity record also contains a Customer/Supplier Compensation Allowed field. When customer and supplier compensation is enabled at entity level, the Customer/Supplier Compensation Allowed field must be enabled for the business relations involved for an adjustment to be saved. When customer and supplier compensation is disabled for the entity, this overrides the customer and supplier compensation setting for the business relation if compensation is enabled here.

If a business relation is part of your company's group, it is marked as Intercompany in the record. This setting will trigger further financial setup at a later point.

Entity Create

Entity Create

Entity Code: EMEAENT1 Active: ☒

Entity Description: EMEAENT1 Domain: EMEADOM

Business Relation: EMEAENT1

Localization Code: [Dropdown]

General | Shared Sets | Additional GL Numbering | Taxes

Check Budgets on Overlap: ☐ AP Exchange Tolerance %: 0.00

Reverse P&L Revaluations: ☒ AR Exchange Tolerance %: 0.00

Consolidation Entity: ☐

Decimals for Qty: 2

Invoice Upper Limit: 0.00

Mirror Setup: None

Open Item Netting Restriction: None Open Item Cross Entity Allowed: ☒

Customer/Supplier Compensation Allowed: ☒

Error prevention

QAD EF-FFSB-200

Use Entity Create (36.1.1.2.1) to create entity records. Enter the previously-created domain and business relation codes.

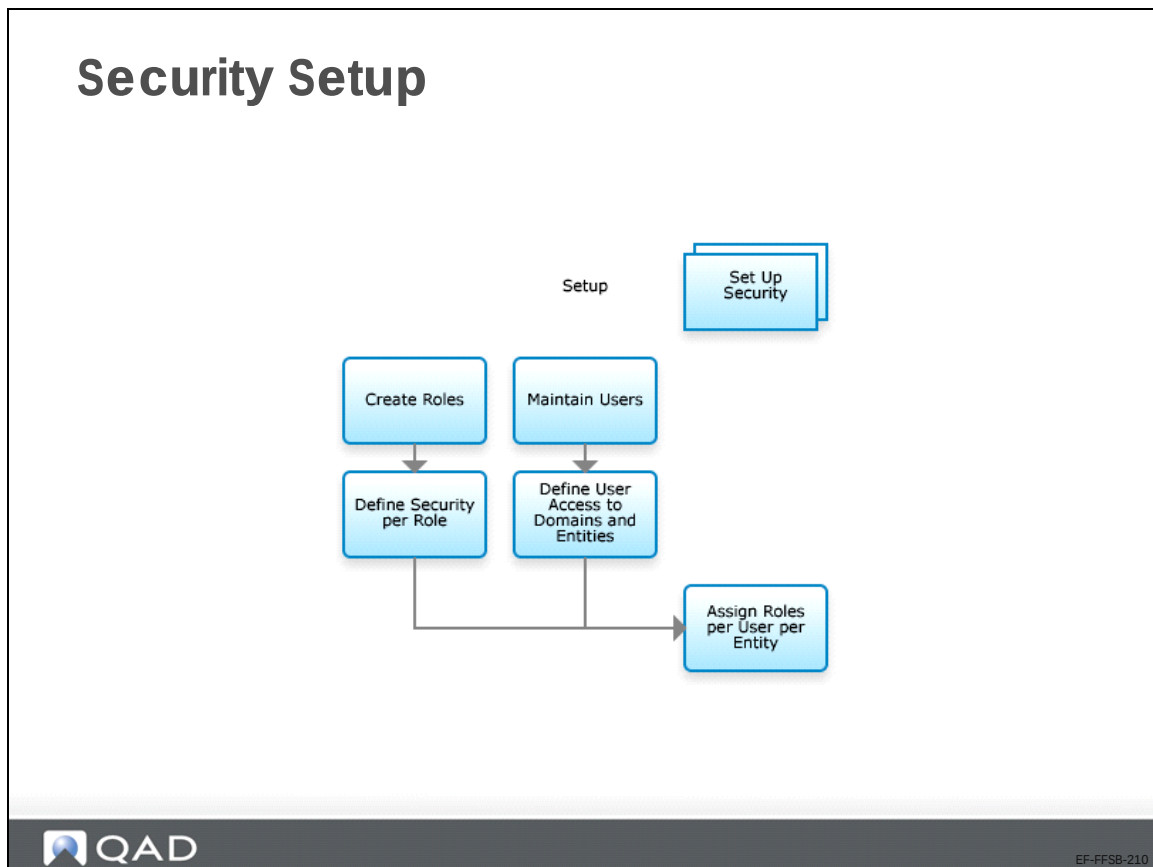
The following domain data is copied to the entity when you save the record: shared set codes, base currency, cross-company accounts, GL periods, and COA masks. Shared set codes display on the second tab, but cannot be updated.

On the General tab, use the AR and AP Exchange Tolerance% fields to help prevent errors.

The Additional GL Numbering tab is used to allow a secondary numbering sequence for GL transactions. This feature is used in some countries when transactions must be identified by numbers in a sequence without any gap.

Use the Taxes tab to configure settings for suspended and delayed taxes.

Security Setup



After defining a new entity, you must define user security and access. To set up security, you must define three main elements:

- Users
- Roles
- Permissions

The configuration for the three areas must be linked in a fourth step.

Roles

1) Roles

- Set up role
- Add permissions to the role

The screenshot displays two overlapping windows from the QAD software interface. The 'Role Create' window on the left has fields for 'Role Name' (empty), 'Role Description' (empty), and 'Active' (checked with a blue checkbox). The 'Role - Permissions' window on the right shows 'Role Name' as 'AP Clerk' and 'Role Description' as 'AP Voucher Entry Clerk'. Below these fields is a tree view of permissions. The 'Secured items on menu' checkbox is checked. Under 'Financials', 'General Ledger (25)' is checked, 'Multiple Currency (26)' is unchecked, 'Accounts Receivable (27)' is unchecked, 'Accounts Payable (28)' is checked, 'Supplier Invoice Menu (28.1)' is checked, 'Receiver Matching (28.2)' is checked, and 'Supplier Payment Activity Menu (28.9)' is unchecked. Other categories like 'Customer Management', 'Supply Chain', and 'Manufacturing' are all unchecked.

In Role Create (36.3.6.1), enter a name and description to create a new role.

During implementation, you can create inactive roles by clearing the Active field. An inactive role cannot be referenced in any functions other than Role Create.

Users

2) User Maintenance

The screenshot displays the 'User Maintenance' window in QAD. The window has a title bar 'User Maintenance' and a menu bar with 'Go To', 'Actions', 'Copy', 'Print', and 'Preview'. The main area shows user details for 'User ID: walter' and 'User Name: Walter Nemo'. Below this are fields for 'Language: US', 'Country Code: US', 'User Type: Employee', 'Time Zone: PST', 'E-mail Def:', 'E-mail Address:', 'Menu Substitution:', 'Remark:', 'Variant:', 'Restricted:', 'Access Location: PRIMARY', 'Initials: wnr', and 'Active: ☒'. A 'SystemAccess' window is open over the main window, showing an 'Application List' table. The table has columns for 'Application', 'Description', 'Active', 'Date', and 'Last Access'. The data row shows 'MFG/PRO' as the application, 'Enterprise Application' as the description, 'Active' as checked, 'Date' as '7/21/2008', and 'Last Access' as empty. A dialog box 'Authorize user for all licensed products' with 'Yes' and 'No' buttons is also visible.

User ID: walter User Name: Walter Nemo

Language: US Variant: Restricted: ☐

Country Code: US Access Location: PRIMARY Initials: wnr

User Type: Employee Active: ☒

Time Zone: PST E-mail Def: E-mail Address: Menu Substitution: Remark:

SystemAccess User ID: walter User Name: Walter Nemo

Authorized user for all licensed products

Yes No

Application List

Application	Description	Active	Date	Last Access
MFG/PRO	Enterprise Application	☒	7/21/2008	
SSD		☐		

QAD EF-FFSB-230

In User Maintenance (36.3.1), define a user ID. If you enter or modify the user name, the following message will display:

“You can delete the user at this step only if the user has never logged into system.”

User Access

3) User Access

User Domain/Entity Access Ma...

Go To Actions Tools Print Preview

Attachments

User: qmi Domain: 10USA Entity: Search

Drag a column header here to group by that column.

Link	User Login	Domain Code	Default Domain	Entity Code	Primary Entity
☒	qmi	10USA	☒	10CORPCONS	☐
☒	qmi	10USA	☒	10USACD	☒

Assign domains and Entities to user

Go to User Domain/Entity Access Maintain (36.3.4) to set up the user access.

Select the user and click Apply. A new window will display. Link a user to an entity by selecting the field in the Link column.

Link All Together

4) Link All Together

The screenshot shows the 'Role Membership Maintain' window. A red box highlights the input fields for 'User' (qmi), 'Domain' (10USA), 'Role' (SuperUser), and 'Entity'. Below these fields is a table with columns: Link, User Login, Role Name, Default Role, Domain Code, and Entity Code. The table contains two rows of data.

Link	User Login	Role Name	Default Role	Domain Code	Entity Code
☒	qmi	SuperUser	☒	10USA	10CURPCONS
☒	qmi	SuperUser	☒	10USA	10USACO

Go to Role Membership Maintain (36.3.6.6)

Select either a user, role, domain, entity or a combination, then click Apply. Link a user to a role for the entities that the user has access to (entity by entity)

A user can have different roles in each entity.

Tax Setup

Tax Setup: Global Tax Management

- Set up at database level
 - To be used with business relations and shared set data (customers, suppliers)
 - Exception: tax rate setup at domain level
- New since QAD 2008 Enterprise Edition
 - Tax box
 - Tax group
 - Extensive reporting
 - Tax calendar



EF-FFSB-340

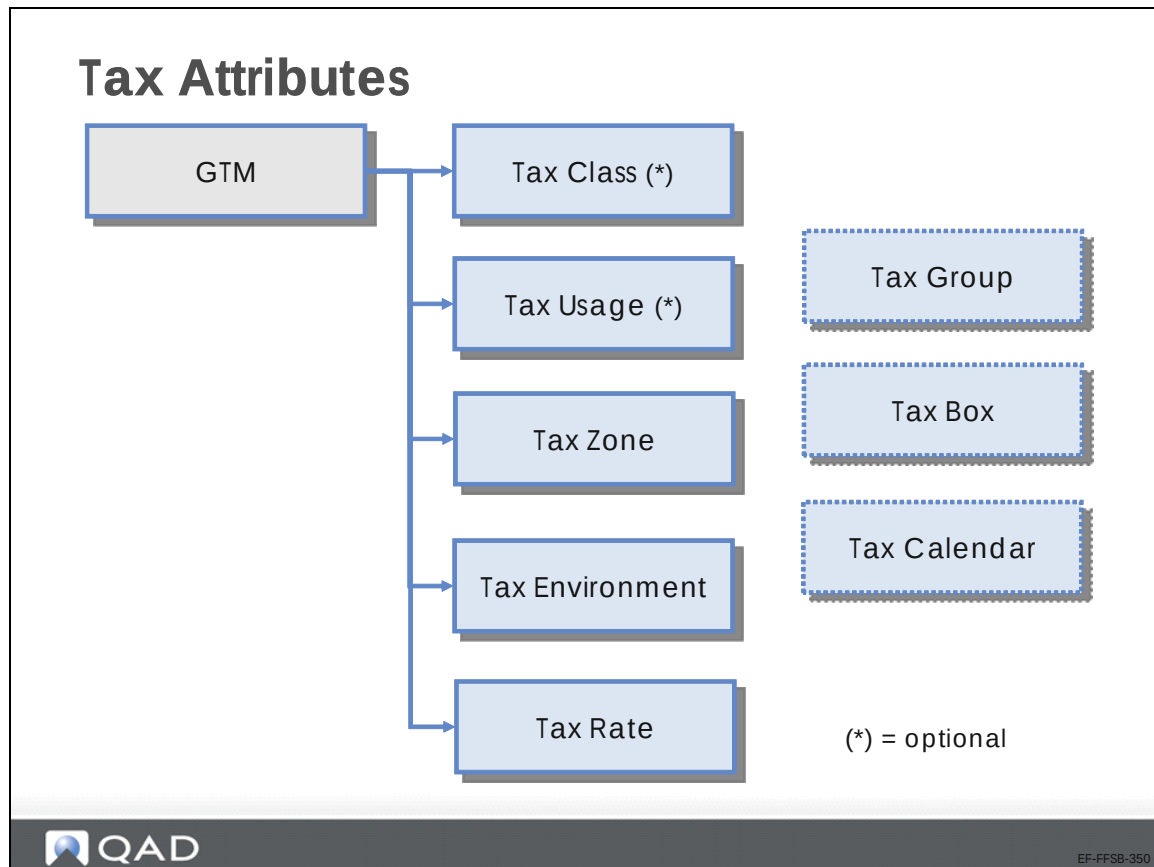
In QAD Enterprise Financials, most tax data is set up at database level. The data can then be shared by multiple addresses from multiple shared sets.

You enter tax data on the Tax tab of Business Relation Create (database level). Then, the tax data is linked to a customer, supplier, or entity (in a shared set). This explains the need to set up tax data system wide. Only tax rates are defined at domain level.

Use Global Tax Management to set up taxes. A separate class is available on this subject.

Tax box, tax groups, tax calendar, and extended tax reporting are new tax concepts that were introduced in QAD Enterprise Edition.

Tax Attributes



Before defining tax rates, you must set up the data required to support tax reporting. This task consists of three steps:

- 1 Define tax boxes for each country in Tax Box Create (29.6.1.1.1). Tax boxes represent tax subtotal fields on tax declaration forms required for filing legal reports. Tax boxes are generally defined in pairs, one identifies the transaction amount and the other, the transaction tax amount. The tax box type identifies whether the tax box displays the base transaction amount or the tax amount.
- 2 Define tax groups using Tax Group Create (29.6.1.2.1), and group related tax boxes, generally one of each type.
- 3 Associate tax groups with tax rates in Tax Rate Maintenance (29.4.1). A different group can be specified for each type of transaction: customer invoice, customer credit note, supplier invoice, supplier credit note, absorbed invoice, absorbed credit note, retained invoice, and retained credit note.

You can then use any of the three tax declaration reports to display the tax detail:

- a Tax Declaration by Box (29.6.2.1)
- b Tax Declaration by Box and Group (29.6.2.2)
- c Tax Declaration by Box, Daybook, Group (29.6.2.3)

Note These reports are not formal reports that can be submitted for regulatory reporting. Rather, based on your selection criteria, they display tax box totals, which you can then use to fill out required reports.

Credit Terms Setup

Credit Terms Data Setup

Credit Terms Create

Go To Actions Tools Attach Print Preview

Attachments

Credit Terms Code: 2-10/30

Description: 2% discount in 10 days, due in 30 days

Payment Type: Normal

Active: ☒

Normal Discount Staged

Period Type: Days

No of Periods: 30

Supplementary Days: 0

Min Due Days: 0

Base Date / Fixed Due Date:

Base Days: 0

Grace Days: 0

Terms Interest Percentage: 0.00

Daily Overdue Int Percentage: 0.00

QAD EF-FFSB-440

Credit terms are used to calculate invoice due dates and to apply settlement discounts on early payments. You can also use credit terms to define staged payments, which allow multiple payments to be made in stages, based on invoice percentages. Credit terms are linked to customers and suppliers, and default when invoices are created.

You can also create credit terms with fixed due dates using Credit Terms Create. Fixed due dates are not calculated based in the invoice date. For example, if a credit term has a fixed due date of February 1, and an invoice for which that due date applies is created on February 15, the invoice due date is still fixed as February 1. You can also create staged credit terms with fixed due dates.

You create a credit term with a fixed due date by specifying a due date in the Base Date/Fixed Due Date field and setting the No of Periods, Supplementary Days, Minimum Due Days, and Base Days fields to 0 (zero).

Payment Type

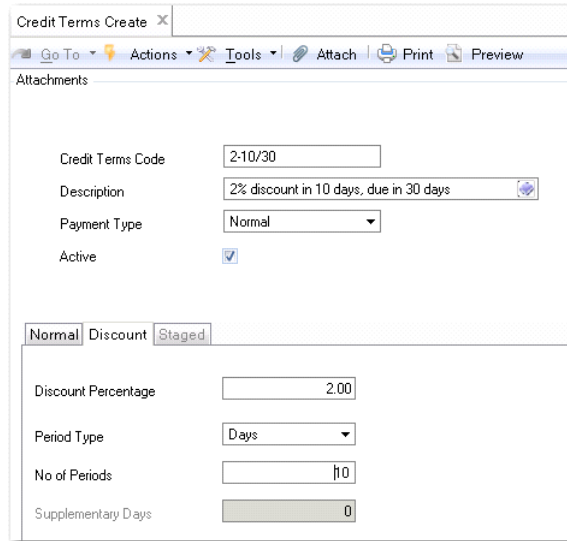
Select the type of payment, Normal or Staged. The payment type determines which tabs can be used to configure the credit terms code. Normal and discount payments are used with Normal payment types; staged payments are used with the Staged payment type.

The credit term description can be displayed in multiple languages.

Credit Terms Data Setup

Early payment
discount setup

Discount Tab



Credit Terms Create

Go To Actions Tools Attach Print Preview

Attachments

Credit Terms Code: 2-10/30

Description: 2% discount in 10 days, due in 30 days

Payment Type: Normal

Active: ☒

Normal Discount Staged

Discount Percentage: 2.00

Period Type: Days

No of Periods: 10

Supplementary Days: 0

Discount Tab

Use the Discount tab to define the data that determines settlement discounts on early payments for Normal credit terms.

Discount Percentage

Specify a discount percentage that will apply for prompt payments for this credit terms code. The default percentage is zero, and you must specify the actual discount percentage in this field, and not the payment percentage.

Period Type

Choose the period type from the drop-down list. The options are days, weeks, fortnights, and months.

No of Periods

Enter the number of periods to take into account when calculating the due date.

Supplementary Days

Specify the number of days to add to the normal calculation date. This value applies only when you select the period type Month.

Credit Terms Data Setup

Staged credit terms

Staged tab

Credit Terms - Modify

Go To Actions Tools Attach Print Preview

Attachments

Credit Terms Code: 30-60-90

Description: 3 staged 40% 30% 30%

Payment Type: Staged

Active: ☒

Normal Discount Staged

Credit Terms	Percentage	Description
30D	40.00	30 days after invo
60D	30.00	60days after invo
90D	30.00	90days after invo

Staged payments consist of a series of normal credit terms, staggered over time periods. Enter a credit term code and percentage of payment for each stage of payment. The description of the credit terms code is displayed for reference. The payment percentages must total 100%.

Invoice Status Codes

Invoice Status Codes

- Determine invoice process flow
- Use for supplier and customer invoices

Attributes



EF-FFSB-470

Use Invoice Status Code Activities (36.1.11) to create, modify, view, and delete codes used to:

- Manage the approval, allocation status, and payment of invoices to suppliers.
- Identify contested invoices for filtering reports and managing finance charge calculation for customers.
- Associate a default invoice status with each customer and supplier record.

Invoice status codes are primarily used with suppliers. You approve supplier invoices and release them for payment by modifying the invoice status code applied to the invoice. You can also control how postings occur by specifying an invoice status code with a different allocation status.

Invoice Status Code Attributes

Invoice Status Code Attributes

- Locked for payment: Y/N
- Invoice Approved: Y/N
- Allocation status:
 - No Allocation
 - Transient Allocation
 - Allocation
- Initial status: Y/N
- Receiver Matching: Y/N
- Status after match
- Do not Increment Reminder Count: Y/N



EF-FFSB-480

The combination of the different attribute values indicates to the system how to treat a document (primarily, a supplier invoice).

Attributes of invoice status codes include:

Locked for payment. Use this option to prevent invoices from being included in payment selections.

Invoice approved. •Use this option to determine whether an invoice is approved for payment.

Allocation status. •The options are Allocation, No Allocation, Transient Allocation, and Any.

Initial status. •Use this setting for initial invoices that are locked for payment, unapproved, or that have a status of No Allocation.

Receiver matching. •Use this option for invoice status codes used in receiver matching.

Status after match. •When no allocation and receiver matching are selected, specify the invoice status code to apply to the invoice after it has been matched. This code must have the Allocation and Receiver Matching field selected.

Do not Increment Reminder Count. •Select this field to create an invoice status code that prevents reminder levels on customer reminder letters from incrementing. You can use these status codes to create invoices that remain at the same reminder level for each print run.

Different sets of codes might be needed depending on whether you are creating a financial invoice or an invoice for matching with a purchase order.

None of the invoice status settings has an effect on customer invoices. The status code is used to filter in reports and to determine how invoices are included in finance charge calculations. Invoice status codes do not have a blocking effect on customer invoices and do not form part of the credit checking process.

US and EMEA Exercise: Domain Setup

Note In the US, log in to entity 10USACO. In EMEA, log in to entity 22UKCO

Corporate Structure Design

Design the model of the company you want to set up on paper. Design the corporate structure.

Does your company have branches in other countries?

Do those branches use different currencies, different GAAPs and charts of account, and different GL calendars?

Are customers and suppliers used across the branches or does each branch have its own set?

Note Keep in mind what you just learned about the data model when you design your corporate structure. Once done, map it to the system's data model to make the setup easier.

Prerequisites

Set up the basic data you need.

1 Currencies.

Go to Currency View (26.1.3).

Verify that the currencies you need for your business (including your base and statutory currencies) exist. If needed, create additional currency codes in Currency Create (26.1.1).

Example: Verify that USD and GBP exist; otherwise, create these codes.

2 Shared set codes.

Review the available shared sets codes in Shared Set View (36.1.1.3.3).

If needed, define additional shared set codes in Shared Set Create (36.1.1.3.1).

As an example, create a customer shared set for your South American branch's customers.

Field	Value
Shared Set Code	QMI-Cust-STHAMS
Shared Set Description	QMI Sth America Customers
Shared Set Type	Customer
Active	Yes

3 Address data.

a Verify that the country, state, and county codes you need exist in the system by accessing the View menus (Country Code View, State Code View, and County Code View).

If needed, create additional codes in Country Code Create, State Code Create, and County Code Create.

b Create a business relation address for your entity in Business Relation Create (36.1.4.3.1). Later, you will link it to an entity.

4 Create a tax zone using Tax Zone Maintenance (29.2.1), if required.

Field	Value
Tax Zone	BR
Description	Brazil
Country Code	BR

Example Business Relation Create (36.1.4.3.1).

Field	Value
Business Relation	41STHAMS
Name	Quality Sensors

c Right click Address tab, add line

Field	Value
Address	11 Domingo
Zip	22000
City	Rio de Janeiro
Country Code	BR

d Click on Tax Information

Field	Value
Tax Zone	BR

e Close the window, agree to save, click the General Tab.

Field	Value
Internal Entity	Yes
Intercompany Code	STHAMS

f Save and Create

Domain and Entity Creation

- 1 Use Domain Create (36.1.1.1.1). Name your domain, complete the fields as necessary, and link to shared sets (click on the binoculars to review available data).

Example

Field	Value
Domain	41STHAMS
Name	South America Division
Language Code	US
Base Currency	USD
Statutory Currency	USD

- 2 Link the following shared sets:

Shared Set Type	Shared Set Code
General Ledger	QMS-GL-US
Customer	QMI-Cust
Supplier	QMI-Sup

Shared Set Type	Shared Set Code
Sub-Account	QMS-SubAccount
Sub-Account COA Mask	Sub-Account COA Mask
Cost Center	QMS-CostCenter
Cost Center COA Mask	Cost Center COA Mask
Project	QMS-Project
Project COA Mask	Project COA Mask
Daybook	QMS-DB-US
Exchange Rate	QMS-ExRate-US

- 3 Save the domain, but do NOT set the Setup Complete field to Yes. Otherwise, you will not be able to modify data that you have yet to set up.
- 4 In Business Relation Create (36.1.4.3.1), create a business relation for 41STHAMS.

Field	Value
Business Relation	41STHAMS

General Tab

Internal Entity	Yes
Intercompany Code	STHAMS

Address Tab

Address Line 1	11 Domingo
City	Rio de Janeiro
Country Code	BR

Tax Tab

Taxable Address	Yes
Tax Zone	

- 5 Save your changes.
- 6 Create a new entity in Entity Create (36.1.1.2.1). Complete all fields as required.

Example

Field	Value
Entity Code	STHAMS
Entity Description	South American Customers
Business Relation	41STHAMS
Domain	41STHAMS

On the Shared Sets tab, note that the shared sets defined for the domain 41STHAMS are automatically displayed.

Security Setup

- 1 Use Domain/Entity Access Maintain (36.3.4) to give your user ID access to the newly-created domain/entity.
 - a Enter your user ID. Then, click Search.
A list of domains and entities displays.
 - b Select the field next to your domain/entity combination in the Link column.
 - c Click Save.
- 2 Use Role Membership Maintain (36.3.6.6) to update the Superuser role:
 - a Enter your user ID and the role Superuser, and click Search.
A list of domains and entities displays.
 - b Select the field next to your domain/entity combination in the Link column.
 - c Click Save.

Complete the Domain Setup

- 1 Use Domain Modify (36.1.1.1.2). Assign your newly-created entity as the domain's primary entity.

In our example:

Field	Value
Domain	41STHAMS
Primary Entity	STHAMS

Cross-Company Tab

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

- 2 Set the Setup Complete field to Yes and save.

Other Domain Foundations Setup

- 1 Log off the system and log back in.
- 2 Select Workspace 41STHAMS-STHAMS.
- 3 Define the domain's GL calendar in Domain GL Period Create (25.4.1.1).

Field	Value
New Year	Current year
Copy from GL Calendar Year	Last Year or Create Manually

- 4 Click Save.
- 5 Review the created periods. Save.
- 6 Set up default GL accounts in Domain/Account Control (36.9.24) as shown below and set the Verify GL account field to Yes.

Note The 10USA and 22UK domains use the same GL account shared set. Therefore, the accounts displayed in the graphics pertain to both domains.

Fig. 3.1
Domain/Account Control, Sales Accounts

Sales Accounts			
Sales:	4010	Mech	ADM
Sales Discount:	4200	Mech	
Sales Inv Tax Acct:	2400	Mech	
Sales CN Tax Acct:	1405	Mech	
Sales Inv Tax Absorbed Acct:	2410	Mech	
Sales CN Tax Absorbed Acct:	1415	Mech	
Sales Returns:	4300	Mech	
COGS Material Acct:	5010	Mech	ADM
COGS Labor Acct:	5100	Mech	
COGS Burden Acct:	5200	Mech	
COGS Overhead Acct:	5300	Mech	
COGS Subcontract Acct:	5400	Mech	
Sales Freight Accrued:	2180	Mech	
Sales Freight Applied:	4680	Mech	
Terms Late Interest:	4650	Mech	

Fig. 3.2
Domain/Account Control, Accounts Payable Accounts

Accounts Payable	
AP Inv Tax Acct:	1400 Mech
AP CN Tax Acct:	2405 Mech
AP Inv Tax Retained Acct:	1420 Mech
AP CN Tax Retained Acct:	2415 Mech
Expensed Item Receipts:	2550 Mech
Expensed Item Usage Var:	5650 Mech
Expensed Item Rate Var:	5660 Mech

Department	
Cost of Production:	5770 Mech mfg
Labor:	5120 Mech mfg
Burden:	5220 Mech mfg

Fig. 3.3
Domain/Account Control, Product Line Accounts

Product Line	
Inventory Acct:	1500 Mech
PO Receipts Acct:	2520 Mech
Purchases:	6610 Mech ADM
Overhead Appl Acct:	5330 Mech
Scrap:	6000 Mech
Work in Process:	1550 Mech
Inv Discrep Acct:	5900 Mech
Cost Revalue Acct:	6100 Mech
Floor Stock Account:	1600 Mech

Fig. 3.4
Domain/Account Control, Variances Accounts

Variances				
PO Price Var Acct:	6710	Mech	ADM	
AP Usage Variance:	6720	Mech		
AP Rate Variance:	6740	Mech		
Method Variance Acct:	6800	Mech		
Transfer Variance:	6820	Mech		
Material Usage Var:	5040	Mech		
Material Rate Var:	5050	Mech		
Labor Usage Variance Acct:	5140	Mech	mfg	
Labor Rate Variance Acct:	5150	Mech	mfg	
Burden Usage Variance:	5240	Mech	mfg	
Burden Rate Variance:	5250	Mech	mfg	
Subcontract Usage Variance:	5440	Mech		
Subcontract Rate Var:	5450	Mech		
Mix Variance:	6830	Mech		

Fig. 3.5
Domain/Account Control, Service Accounts

Service Accounts				
Service Labor:	6900	Mech		
Service Overhead:	6905	Mech		
Service Expense:	6910	Mech		
Expense Due:	6915	Mech		
Service Returns:	6920	Mech		
Deferred Revenue:	2450	Mech		
Accrued Revenue:	1450	Mech		

Chapter 4

Banking Setup

Banking Setup Overview

Banking Setup Overview

- Set up bank account
 - GL Account Create
 - Banking tab
- Link bank account to payment format
 - Bank Payment Format Link
- Setup payment statuses
- Suppliers and customers setup
 - Banking tab
 - Link customer and supplier bank account to bank account and payment format



EF-BAS-020

In this chapter, you will learn how to set up the components required for banking.

In order to process banking transactions, you need to set up your entity bank. The entity bank consists of the bank account to which the final postings are made and the business relation, which contains the address and tax information for your bank.

To store your bank account number in the system, first apply a validation format to the account number. Therefore, before you create your bank account, ensure that the correct validation format is available for your account number. To create electronic payment files for transfer to other banks, use electronic payment formats that you download to the system and associate with your bank account.

Setting up a Bank Account

Create Own Bank Account

General Ledger Account - Mod...

Go To Actions Tools Attach Print Preview

Attachments

Account: 1100

Description: Current bank account USD

GL Type: Bank Account

Active: ☒

Referenced: ☒

In Posting: ☒

System Type:

Budget Group:

Budget Enabled: ☒

Category: Asset

Posting Currency Analysis Report Link Banking Cash Defaults

Entity Code	Default	Bank Format	Bank Account No	Business Relation Code	Active	SWIFT Code	Branch	Own GL Ac
US-B	☒	☒	12345678		☒			
US-D	☒	☒	454697884		☒			
US-C	☒	☒	542334891		☒			
USA-01	☒	☒	88436344		☒			

Banking Daybook Profile: BEUSD

AP Discount Account: 5700

AR Discount Account: 4220

QAD EF-BAS-030

Bank accounts are created in GL Account Create (25.3.13.1). Select the Bank account type from the drop-down list of available account types.

The Banking tab is enabled when you create an account of type Bank or Cash. Use this tab to specify the following details:

Entity Code. This is typically the code of the current entity. When you link the current entity to the bank account, you define the account as your own bank account, through which all customer and supplier payments are processed.

Account number format. This is the validation code for your account. Every account number entered in the system must be validated (see below).

Account number and currency.

Business relation code. This is the business relation linked with the bank account. This business relation provides your bank address and tax information in customer and supplier payments. You can assign multiple bank accounts for each GL account, to support each activity where the GL account is used.

Bank account format. If the bank account number must be validated, choose the validation method from the drop-down list. When you select a bank number format, the system creates a child row in which you enter the number to be validated.

Use Bank Account Format Maintain (25.11.4) to view an international account number format to apply to the bank accounts you create. You can also define new number formats, which must comply with the banking system of the country in which you are doing business, or with your customer or supplier banking systems (see *User Guide: QAD Financials* for more details about bank account formats).

The bank information specified here identifies your company banks. Associate these banks with customer and supplier banks in the customer and supplier functions (see later in this chapter).

To add lines on the grid, right-click in it and insert a new row for each bank account. Each bank account is linked to at least one entity.

When you click to save the account details, the system displays a warning to say that you have not defined bank accounts for all the other entities using this account shared set. You need only define bank accounts for the entities in which you are working, this message does not prevent you from saving the account.

Payment Formats

Bank Payment Formats

- To define payment output layout
 - AR AP
 - Domestic, foreign, both
 - Manual or electronic
 - Which payment instrument (check, draft, electronic, direct debit)
- List of standard payment formats available
- Link to own bank
 - Then link combination to supplier or customer bank



EF-BAS-040

Payment formats are used in customer and supplier payments to define the layout of the payment output. These codes ensure that each payment from your account is formatted according to the requirements of the receiving customer or supplier bank. Each individual payment contains your own bank account details, the required format, and the correct customer and supplier account information.

Payment formats determine such aspects of the payment as:

- Whether the payment is for AR or AP
- Whether the payment is domestic, foreign, or both
- The payment instrument to use, such as check, draft, or electronic transfer

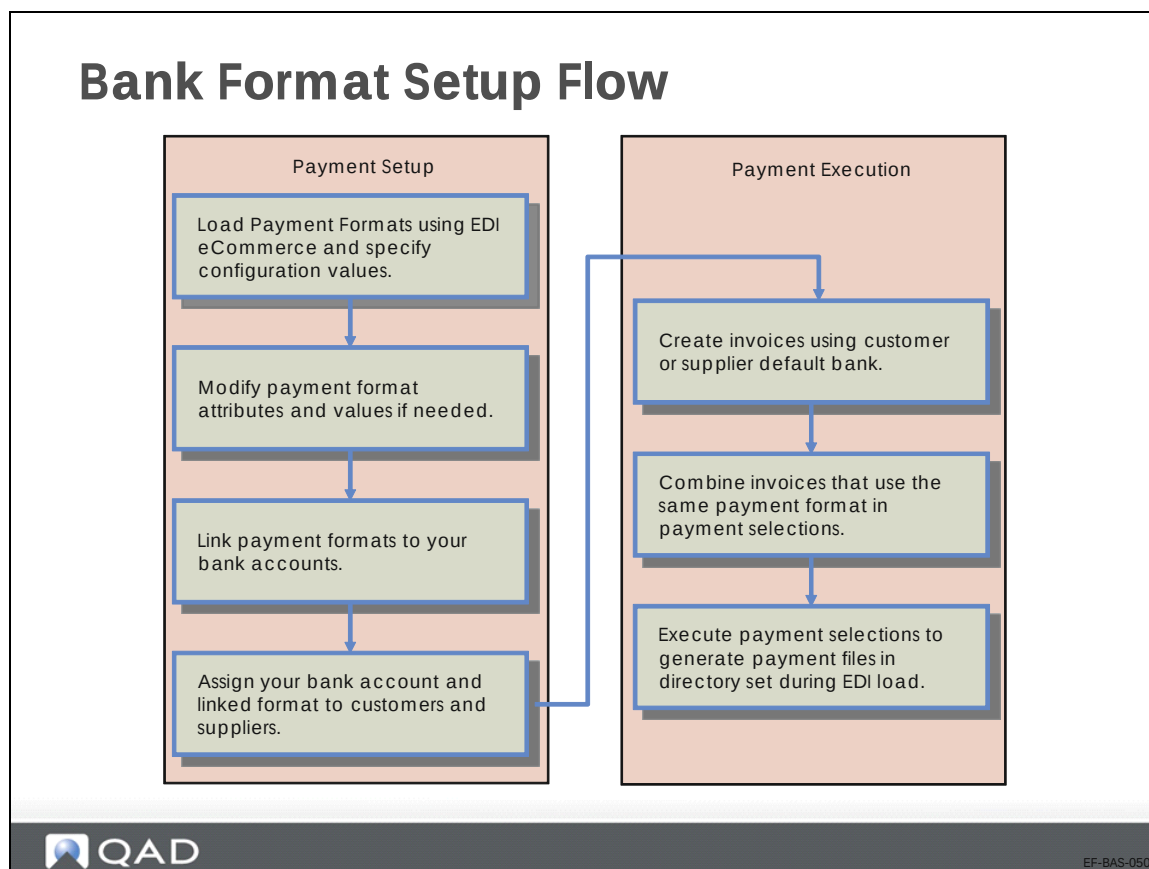
Electronic payment formats are used with paper-based payments, such as checks or drafts, and with payments, such as direct debit or electronic transfer. Formats tend to be common to certain regions. For example, US banks tend to deal with AP and AR checks. Northern European banks more commonly use AP electronic transfers and AR direct debits. Southern European banks use checks, drafts, and transfers.

Preconfigured formats are available on the QAD Support Web site for download and can be loaded in the system using standard EDI eCommerce functions. These formats are designed for specific banking systems, and are used to create electronic payment files to be transferred to these banks.

Ensure that supplier and customer payments automatically use the correct format by linking the format to your bank account and then associating the linked account number to the supplier or customer bank account number. Once the account numbers are linked, the system selects the correct format.

When a customer or supplier payment is created, the customer or supplier default bank is automatically displayed in the payment screen. If multiple account numbers for a supplier or customer are defined, you can select another account number for the payment, but only if it has been linked to a format.

Bank Format Setup Flow



A number of different types of data must be set up before you can generate customer and supplier payments.

The figure above illustrates the general flow. To complete this flow, you must have already created bank account validations and defined your entity banks.

You can also use Payment Format Excel Integration to create a template and load data. However, this is typically not required, since the EDI load provides this data for you.

Generally, no changes are needed to these formats, but if necessary, attributes and values can be changed in Payment Format Maintenance (25.11.1). See “Payment Format Maintenance” on page 126.

Link the payment formats to your entity bank account using Bank Payment Format Link (25.11.2).

Associate your bank account and the correct linked format with the customer and supplier bank account numbers specified on the Banking tab of the Customer or Supplier function.

When this setup is complete, you can create invoices using this payment information, combine them in payment selections, and execute the selections to generate payment files.

Payment Format Maintenance

Payment Format Maintenance

The screenshot displays the 'Payment Format Maintenance' window. It contains two main tables. The top table lists payment formats, and the bottom table lists attributes for a selected format.

Format Name	Description	Module	Payment Type	Payment Instrument	Curr	Active	Invoices per check
CUST-CHECK		Accounts Receivable	Domestic	Check		☒	0
DE-CHEQUE		Accounts Payable	Both	Check		☒	0
DE-DTAUS-AP	German Inland Pa	Accounts Payable	Domestic	Electronic Transfer		☒	0

Attribute Name	Description	Data Type	Input Option	Level	Mandatory	Active	Group Code
Payment Type	Payment Type	Text	Both	Payment	☐	☒	1

Attribute Value	Description	Active	Default	Type	Group Code
04000	Default value 5	☒	☐	DE-DTAUS-AP	1
05000	Default value 6	☒	☐	DE-DTAUS-AP	1
05005	Default value 7	☒	☐	DE-DTAUS-AP	1
53000	Default value 2	☒	☐	DE-DTAUS-AP	1
51000	Default value 1	☒	☒	DE-DTAUS-AP	1
54000	Default value 3	☒	☐	DE-DTAUS-AP	1
56000	Default value 4	☒	☐	DE-DTAUS-AP	1
05006	Default value 8	☒	☐	DE-DTAUS-AP	1
05015	Default value 9	☒	☐	DE-DTAUS-AP	1

Format Name	Description	Module	Payment Type	Payment Instrument	Curr	Active	Invoices per check
DE-DTAUS-AR		Accounts Receivable	Domestic	Direct Debit		☒	0
GENERIC-PAY-AP		Accounts Payable	Both	Electronic Transfer		☒	0
GENERIC-DRAFT-AR	Generic AR	Accounts Receivable	Both	Direct Debit		☒	0
US-CHECK	US Checks	Accounts Payable	Both	Check		☒	15
USA2CAP		Accounts Payable	Both	Electronic Transfer		☒	0

QAD EF-BAS-060

Use Payment Format Maintenance (25.11.1) to view and modify payment formats, their attributes, and attributes' values. You can create a new format by adding a new row in the grid and specifying its attributes. Ensure that these attributes match the requirements of the banking system to which you will send the payment.

For electronic payment formats, most users download predefined formats and do not need to manually create formats. The formats that you load using EDI eCommerce are displayed here automatically.

Once you have used a payment format in a payment, you cannot modify the format code, but can modify the description and currency.

Chapter 5

Customer Setup

Overview

Customer Setup Overview

- Customer setup flow
- Customer setup highlights
- Customer data setup
 - Customer type
 - Customer rating
 - Customer Create and Customer Data Maintenance menus
- Customer ship-to and end-user setup
- Managing customer credit
- Customer payment status codes



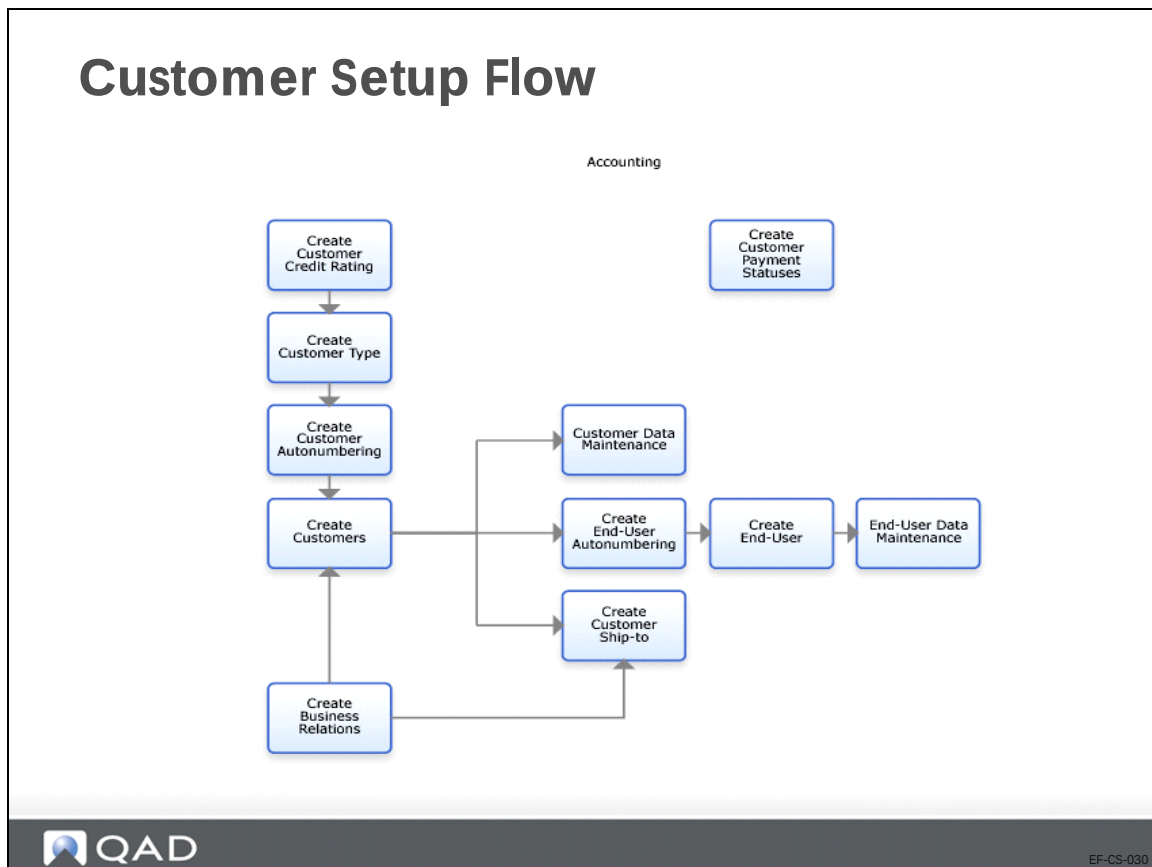
EF-CS-020

Customers represent the companies that purchase your goods and services. They are referenced on sales quotations, sales orders, invoices, and in accounts receivable. They are also used for service and support documents, such as calls, contracts, and return material authorizations (RMAs).

Before setting up customers, you must first define customer type codes and credit rating codes, described next. Customers also require GL account profiles to be set up (Control accounts for invoices, Control accounts for credit notes, Customer bank accounts, Sales accounts).

After reviewing the setup flow, you will learn about each element in more detail. Lastly, we will explain how customer credit is managed in QAD Financials.

Customer Setup Flow



Customers are created and all financial related data, such as credit limits and accounts, are defined by designated users with access to financial functions. After a customer has been created and set up by an authorized role, additional operational data, such as the default inventory site for sales transactions, can be associated with the record in Customer Data Maintenance (2.1.1).

Some of the steps on this process flow are mandatory; others are optional (we will see this in more detail).

Customer Setup - Highlights

Customer Setup - Highlights

- Three control accounts
- Sales account profile
- Sold-to, bill-to, ship-to and end user addresses
- Banking tab
 - Link customer bank account to your bank and payment format
- Credit control
- Separate operational customer data
 - Customer Data Maintenance
- Email notification
- Autonumbering sequences



CS-040

Before setting up customers, you must create customer type codes, credit rating codes, and GL profiles for the control accounts for invoices, credit notes, bank accounts, and sales accounts (for memo items).

A sales order can reference up to three customer addresses: a sold-to address, a bill-to address, and a ship-to address. A customer can also be referenced to as end-user address by service and support functions.

The Customer Credit Rating activities (27.20.5) let you rank customers by credit worthiness.

The system stores the customer's and your company's bank account numbers on the Banking tab, together with the default payment formats for transactions.

Customer Data Setup

Customer Data Setup

- Financial data (Customer Create)
 - Customer code
 - Customer type code (optional)
 - Business relation
 - Accounts profiles
 - Credit terms
 - Credit rating code (optional)
 - Tax zone
 - Invoice status code
- Operational data (Customer Data Maintenance)
 - Site
 - Daybook set
 - EMT type



EF-CS-050

You set up most customer data in Customer Create (27.20.1.1) in Financials. However, some data specific to the operational functions, such as the site linked to the customer, daybook set, or EMT type, is set up in Customer Data Maintenance (2.1.1).

Credit rating and customer type codes are optional, and you must define them prior to creating a customer. This restriction also applies to some mandatory data, such as account profiles, invoice status codes, and tax zones.

Customer Type

Customer Type

- Sales analysis
- Valid system wide
- Define GL sales account by customer type (optional)
 - Report sales and COS by customer type

Customer Type Create

Go To Actions Tools Attach Print

Attachments

Code

Description

Active ☒



EF-CS-060

Use Customer Type activities (27.20.4) to create, modify, view, and delete codes for grouping customers. You can use the customer type to select groups of customers for reporting, in particular, for sales analysis reports.

Customer types are system-wide data, and apply to all domains and entities.

You can also define GL sales accounts by customer type, channel, product line, and site in Sales Account Maintenance (1.2.17). This lets you track sales and cost of sales amounts separately for different types of customers.

Customer Credit Rating Code

Customer Credit Rating Code

- Valid system wide
- Rate customers creditworthiness
- Reporting

Customer Credit Rating Create

Go To Actions Tools Attach Print

Attachments

Code

Description

Active ☒



EF-CS-070

Use Customer Credit Rating activities (27.20.5) to create, modify, delete, and view codes for ranking customers by creditworthiness.

You can use customer credit rating codes to select groups of customers for reporting. Customer credit rating codes are system-wide data, and apply to all domains and entities.

Customer Setup

Customer Setup

- Financial Setup: Customer Create
- Operational Setup: Customer Data Maintenance

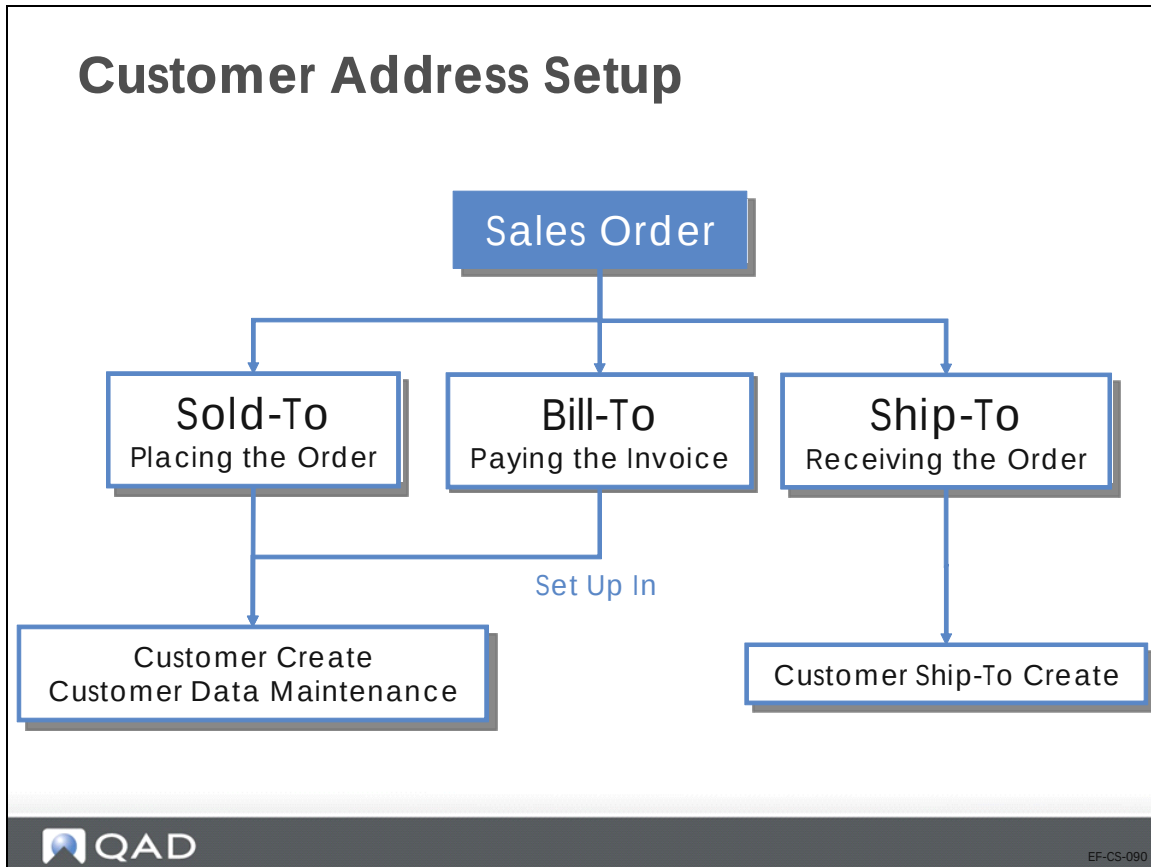
The screenshot displays two overlapping windows from the QAD software interface. The background window is titled 'Customer Data Maintenance' and contains a 'Customer Address' section with fields for Customer, Name, Address, City, Country, Attention, Telephone, and Fax. It also has a 'Customer Data' section with 'Sort Name' and 'Salesperson1' fields. The foreground window is titled 'Customer Create' and features a 'Customer Code' field, an 'Active' checkbox (checked), and a 'Business Relation' dropdown. Below these are tabs for 'Business Relation', 'Accounting', 'Payment', 'Banking', 'Defaults', 'Credit Limit', 'Tax Info', and 'Comments'. The 'Business Relation' tab is selected, showing 'Name' and 'Address' fields. The QAD logo is in the bottom left, and 'EF-CS-080' is in the bottom right.

Use Customer Activities (27.20.1) to create, view, modify, or delete a customer. Link the customer code to an existing business relation or create it on the fly. You can only delete a record if it is not referenced in the system. However, you can mark a referenced record as inactive.

You can use Excel Integration (27.20.1.5) to export customer records to or load records from an Excel spreadsheet. You can also use Excel Integration to import customer bank accounts. See the UI Navigation section, and *User Guide: Introduction to QAD Enterprise Applications* for more information.

After creating a customer in financials, specify additional operational data in Customer Data Maintenance (2.1.1). An email is automatically sent to the members of the CustomerNotify role responsible for creating this data when a new customer is created.

Customer Addresses Setup



A sales order or sales quotation can reference up to three customer addresses. These addresses can reference the same or different business relations.

- Sold-to customer. The customer placing the order.
- Bill-to customer. The customer paying the invoice. A single bill-to is assigned when the customer is set up. If no bill-to is assigned, the sold-to customer code is used as the bill-to.
- Ship-to customer. The customer receiving the order. Ship-to customer IDs are set up in the Customer Ship-To function. Each customer can have multiple ship-to addresses.

Sales order header information, such as default credit terms and currency, is determined by the bill-to customer. Other fields default from the sold-to customer, unless a customer record was entered for the ship-to address for the order. These include language, taxable status, and other tax defaults.

During order entry, the bill-to address defaults from the sold-to, unless a different bill-to address is assigned to the sold-to customer. The ship-to address also defaults from the sold-to address. If alternate ship-to addresses are defined, they can be selected as needed.

Business Relation Addresses

Business Relation Create - Address Info

Name: Auto BM
 Search Name: Auto BM
 Address Type: HEADOFFICE

Address Info | Tax Information | Contact Persons

Address: 256, Washington Ave.
 Zip/City: 33987
 State: PA
 County Code:
 Country Code: USA
 Language Code: us
 Telephone:
 Fax:

OK Close

A business relation must have a single address of type headoffice. To add an address, right-click in the Address Information tab and choose Insert a New Row. The Business Relation Address Information screen displays.

- 1 Specify the full name of this particular address. The name defaults from the value specified for the business relation. It cannot be modified for the headoffice type. The name is useful since some address types in the business relation may operate under their own name. For example, a ship-to address for this business relation may have a unique name.
- 2 Choose an address type from the drop-down list. This field is mandatory. A set of address types is supplied with the system. You can create new address types using Address Type Create.

For each business relation, you must create an address with the headoffice address type. Other types of business relation addresses can be created as needed. A business relation can have multiple ship-to addresses.

The only address types that can be created directly in the business relation are headoffice, dock, reminder, and remittance; you cannot create or delete ship-to and end user addresses. You must use the Customer Ship-To and End User functions. This prevents ship-to and end user addresses from being created that are not linked to customer ship-to and end user records.

Customer Link to Bill-To

Customer Create

Link Bill-To Address

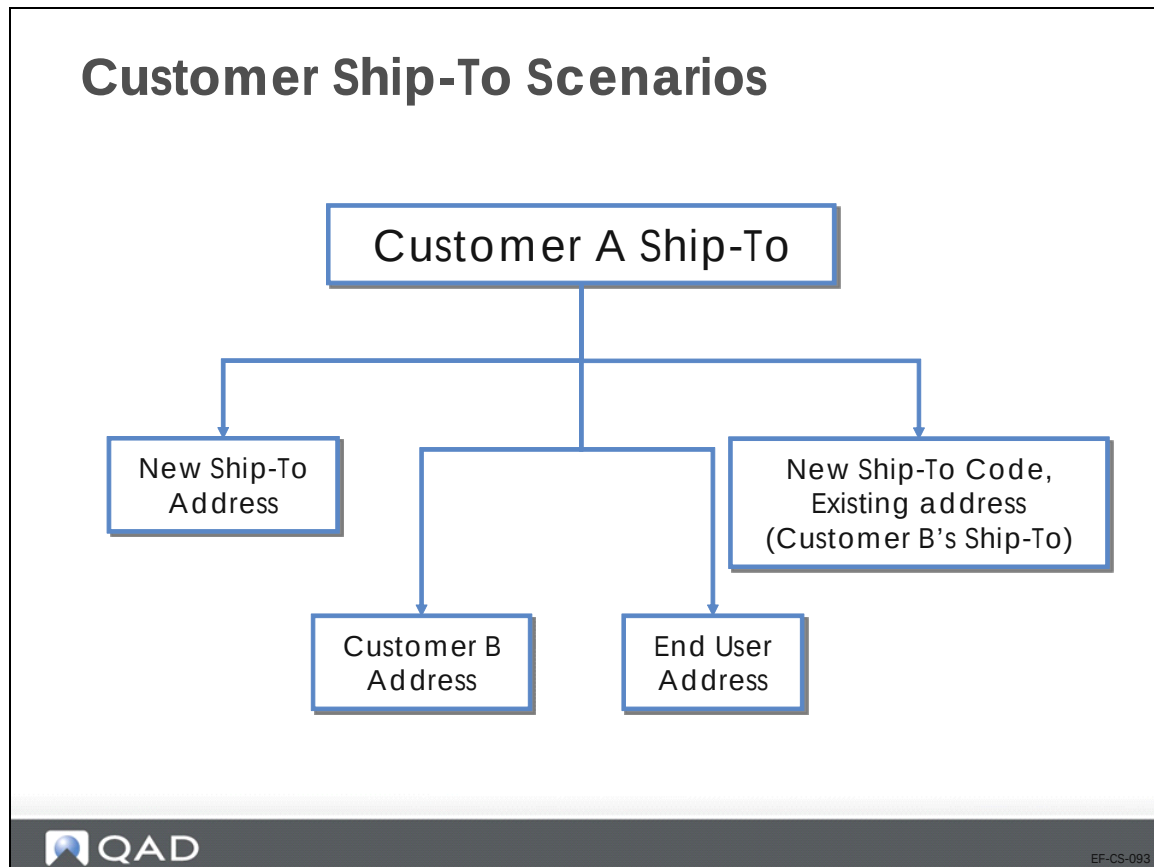
The screenshot displays the 'Customer Create' form in the QAD system. The form includes a menu bar with 'Go To', 'Actions', 'Tools', 'Attach', 'Print', and 'Preview'. Below the menu bar is an 'Attachments' section. The main form area contains several fields: 'Customer Code', 'Business Relation', 'Active' (checked), and 'Bill-To Customer'. The 'Customer Code' and 'Business Relation' fields are circled in red. An arrow points from the 'Link Bill-To Address' box to the 'Bill-To Customer' field. Below these fields are tabs for 'Business Relation', 'Accounting', 'Payment', 'Banking', 'Defaults', 'Credit Limit', 'Tax Info', and 'Comments'. The 'Business Relation' tab is selected, showing fields for 'Name', 'Address', 'Zip/City', 'Country Code', 'State', 'County', and 'Telephone'. The 'Bill-To Customer' field is also circled in red.

QAD

EF-CS-092

The Bill-To address is linked to a customer code in Customer Create (27.20.1.1). End User and Ship-To addresses are created and linked in separate menus.

Customer Ship-To Scenarios



It is common for affiliated addresses to operate under different names. For example, a customer ship-to address may have a name that is distinct from the customer address.

Temporary ship-to address records can be created during the execution of the following operational programs:

- Sales Quote Maintenance (7.12.1)
- Sales Quote Copy from Order (7.12.5)
- Sales Quote Copy from Quote (7.12.6)
- Sales Order Maintenance (7.1.1)
- Pending Invoice Maintenance (7.13.1)
- S/RO Maintenance (7.23.1)
- RMA Maintenance (11.7.1.1).
- Material Order Maintenance (11.11.1)

This process is only possible when the user accessing the operational program also has permission to create records in Customer Ship-To Create.

The system offers several ways to create customer ship-to addresses for a customer:

- Create an entirely new ship-to and specify the address, tax, and contact details in this function. To do this, clear all the link-to-address fields, and enter a code in the Ship-To Code field (or leave blank for a system-generated number). The new address is created as a ship-to address type for the customer's business relation. Multiple ship-tos for the same customer can share the same address.
- Indicate that another customer—of the same or different business relation—is the ship-to address of a specified customer; in this case, the same code and address information is used. A customer can be the ship-to address of only one other customer, and the address used is the headoffice address.

You can create ship-to records for inactive customers.

- Indicate a customer's end user is also a ship-to address. In this case also, the same code and address information is used.
- Specify a new ship-to code and associate it with an existing address with the ship-to type defined for the customer or the customer's business relation (where two customers share the same business relation).

Example Alverton has two associated ship-tos: one for deliveries and one for returns. The company uses a central receiving address, so deliveries and returns have a common ship-to address. If Alverton updates any of the address details, the same change can be applied to both ship-tos at the same time.

Important When maintaining ship-to addresses in Customer Ship-To Modify, if you modify any of the key address fields (address lines 1 to 3, the City field, or the Zip field) to be the same as an existing address, the system displays an error message stating that you must use the Link to Ship-To option to assign the ship-to to an existing address.

Creating Ship-To Addresses

The screenshot shows the 'Customer Ship-To Create' window. It has a title bar with 'Customer Ship-To Create' and a close button. Below the title bar is a menu bar with 'Go To', 'Actions', 'Tools', 'Print', and 'Preview'. The main area contains several input fields and buttons. Two ovals highlight the 'Customer Code' field and the 'Link To Ship-to Address' button. A box labeled 'Link Ship-To address' points to the 'Link To Ship-to Address' button. The 'Address Information' section includes fields for 'Business Relation', 'Address Type', 'Address Name', 'Address', 'Address', 'Address', 'Zip/City', 'State', 'County Code', and 'Country Code'. Buttons for 'Create', 'Maintain', and 'View' are on the right.

Use the Customer Ship-To activities (27.20.2) to create, view, modify, or delete customer ship-to records. You can use Customer Ship-To Create (27.20.2.1) in multiple ways, depending on the scenario, as described on the previous slide.

If you select Link to Another Customer or Link to End User, you can then select an existing customer from the lookup. The Ship-To Code field is filled with the value you specify for the customer or end user and the customer's headoffice address is displayed in the Address Information fields. These addresses will be added as ship-to addresses in the business relation record for the customer specified in Customer Code.

The Maintain and Create buttons in the Address Information area are unavailable. You can use the View button to see tax and contact details.

Select the Link to Ship-to Address field if you want create a new code that shares address information with another existing ship-to address for the specified customer code. Click the Ship-To Address button to display all ship-to addresses for the customer. After you select the address you require from the lookup, you can modify details.

All fields in the Address Information frame are read only. Which buttons are active depends on your previous input:

Click View to view address details. When you specify another customer or end user as the ship-to, the address is display only.

Click Maintain to modify an existing ship-to type address. The Customer Ship-To Modify Address Information screen is the same as the business relation screen, and also contains tabs for contact information and tax information. This button is active when you select an address using the Link to Ship-to Address option.

Click Create to display the Customer Ship-To Create Address Information screen, which lets you create a new address to use as the ship-to address. This button is active when none of the link-to check boxes is selected.

When you create a new ship-to address using the Create activity or modify an address using the Modify activity, the customer's business relation is updated with the new ship-to address details.

Defining End-Users

Defining End-Users

- Service and Support Management module
- Address type: end user
- Two menus:
 - Customer End User Create (27.20.3.1) - financial
 - End User Data Maintenance (11.9.1) – operations
- Automatically create during invoice post (optional)
- Create on the fly in SSM menus:
 - Contract Maintenance, Call Maintenance



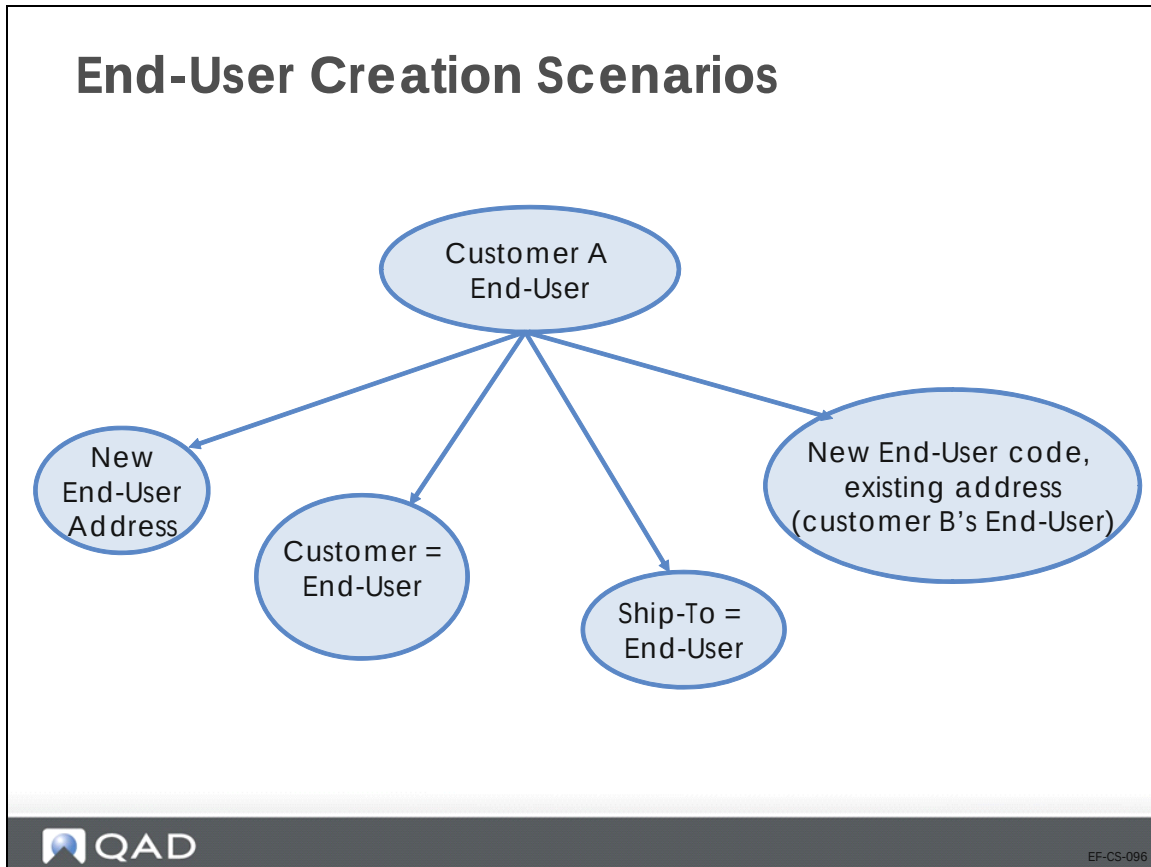
EF-CS-095

Use the Customer End User (27.20.3) activities to create, view, modify, or delete end user records. End users are used in the Service and Support Management module to identify the address that owns items requiring service. End users are specified on calls, return material authorizations, and contracts. End-user addresses must be of type enduser.

After creating end users here, specify additional SSM data in End User Data Maintenance (11.9.1). An email is automatically sent to the members of the EndUserNotify role responsible for creating this data when a new end user is created.

The system can automatically create end user records based on settings in Service Management Control (11.24) when an invoice is posted for an item being recorded in the SSM installed base. See *User Guide: QAD Service and Support Management* for details.

End-User Creation Scenarios



You can use End User Create (27.20.3.1) in multiple ways:

- Create an entirely new end user and specify the address, tax, and contact details in this function. To do this, clear all the link-to-address fields, and enter a code in the End User Code field (or leave blank for a system-generated number). The new address is created as an enduser address type for the customer's business relation.

Multiple end users for the same customer can share the same address.

- Indicate that the customer is also an end user.
- Specify an existing ship-to address of a customer as an end user. In this case, the end-user code is the same as the ship-to code and the address details cannot be modified here.
- Specify a new end-user code and associate it with an existing address with the enduser type defined for the customer or the customer's business relation (where two customers share the same business relation).

Example Alverton has two associated end users, E1001 and E1002. The two end users share the same end user address. You create a third end user E1003 for customer Alverton. You can now associate the same address with E1003 by specifying Alverton as the customer code, selecting Link to End User, clicking the End User Address button, and choosing the E1001 (or E1002) address from the lookup. If you update any of the address details, you have the option to apply the changes to all end users who reference the address.

- When maintaining end user addresses in End User Modify, if you modify any of the key address fields (address lines 1 to 3, the City field, or the Zip field) to be the same as an existing address, the system displays an error message stating that you must use the Link to Address option to assign an end user to an existing address.

End User Create

End User Create

The screenshot shows the 'End User Create' window with the following fields and options:

- Customer Code:** 10C1005
- End User Code:** 10C1005
- End User Name:** Rockland Industrial Company
- Link To Customer:** ☒
- Link To Ship-to Address:** ☐
- Link To End User Address:** ☐ [End User Address](#)
- Address Information:**
 - Business Relation:** 10-C1005
 - Address Type:** HEADOFFICE
 - Address Name:** 10C1005
 - Address:** 566 Rockland Boulevard
 - Address:** (empty)
 - Address:** (empty)
 - Zip Code/City:** 21216 Rockland
 - State:** NJ New Jersey
 - Country Code:** (empty)
 - Country Code:** USA USA - TAX PURPOSE
- Buttons:** Create, Maintain, View

QAD EF-CS-097

The following is a more detailed description of the fields in End User Create (27.20.3.1):

Customer Code. If you are linking to another customer or to a ship-to address, enter the code that identifies the customer this enduser record is associated with; otherwise leave blank.

End User Code. If you are not linking to another customer or to a ship-to address, specify a new code. This code is automatically created with an address type of end user.

If you select Link to Customer or Link to Ship-To Address, the End User Code field is filled with the value you specify for the customer or ship-to. These addresses will be added as end users for the customer specified in Customer Code.

End User Name. Enter a maximum of 36 characters for the end user name. The default is the business relation name for the customer to which the end user is linked. This field is optional.

Link to Customer. Select this field if you want to define the customer entered in the first field as an end user. In this case, the end user code is set to the customer code and cannot be modified. All address details are filled in based on the headoffice address of the customer and cannot be changed.

Link to Ship-To Address. Select this field if you want to enter a ship-to associated with the customer and define the ship-to as an end user.

Link to End User Address. Select this field if you want create a new end user code that shares address information with another existing end-user address for the specified customer code. Click the End User Address button to display all end-user addresses for the customer.

After you select the address you require from the lookup, the Modify and View buttons are enabled and you can modify details. All fields in the Address Information frame are read only.

Click Create to display the Customer End User Create Address Information screen, which lets you create a new address for the ship-to end user. This button is active when none of the link-to check boxes is selected.

When you create a new end user address using End User Create (27.20.3.1), the customer's business relation is updated with the new enduser address.

Creating a New End-User Code and Address

- 1 Specify the customer code.
- 2 Clear the Link to Customer, Link to Ship-To Address, and Link to End User Address fields.
- 3 Specify the end-user code in the End User Code field or leave blank for a system-generated number.
- 4 Click the Create button in the Address Information tab.
- 5 Specify the new end-user address in the fields provided.
- 6 Click Save. The end user address is saved in the business relation for the customer.

Setting Up a Ship-To Address as an End User

- 1 Specify the customer code.
- 2 Leave End User Code field blank.
- 3 Clear the Link to Customer and Link to End User Address fields.
- 4 Select the Link to Ship-To Address field. A lookup for existing ship-tos is enabled.
- 5 Enter or select the ship-to. All address details come from the selected ship-to address.
- 6 The ship-to code displays in the End User Code field and the address details of the headoffice of the customer's business relation display in the Address Information area. The address cannot be modified; tax and contact details can be viewed by clicking the View button.
- 7 Click Save.

Setting Up an Existing Address as an End User

- 1 Specify the customer code.
- 2 Specify the end-user code or leave blank for a system supplied number.
- 3 Clear the Link to Customer and Link to Ship-To Address fields.
- 4 Select the Link to End User Address field.
- 5 Click the End User Address button. This displays all end-user addresses for the business relation associated with the customer code.

- 6 Select the address you want to use.

Note A business relation end-user address can be linked to only one end-user address for the same customer.

- 7 Click Maintain to update address details if necessary.

- 8 Click Save.

Modifying a Shared End User Address

- 1 Open End User Modify.
- 2 In the browse, locate and open the record you want to modify.
- 3 Click the Maintain button to display the address details.
- 4 Modify the details as required.
- 5 Save the changes in End User Modify.

If you modify address details for an end user address shared by other end users for the same customer, the system prompts you to apply the change to all end users with that address.

If you select Yes, the system checks to see if an address that matches the modified address already exists. If a matching address already exists, the system links all end users who shared the original address to that address record. If a matching address does not already exist, the system links all end users who shared the original address to the modified address record.

If you select No, the system checks to see if an address that matches the modified address already exists. If a matching address already exists, the system links the end user to that address record. If a matching address does not already exist, the system links the end user to the modified address.

Reassigning a Shared End User Address

If an end user shares the same address as other end users for the same customer and you use the End User Address option to select a different end user address, the system prompts you to apply this address change to all end users that share the original address.

If you select Yes, the system applies the change to all end users that share the original address. If you select No, the system links the current end user alone to the new address.

Managing Customer Credit

Managing Customer Credit

- Three configurable types of credit limit:
 - Fixed maximum limit
 - Percentage of gross turnover
 - Maximum number of days overdue
- Credit limit valid for all entities using same customer shared set



EF-CS-100

You define one or a combination of credit limits on the Credit Limit tab of the Customer screen. Once defined and saved, these credit limits are automatically applied to this customer, and enable credit checking on the customer's transactions.

The maintenance of credit data is also available as a separate activity.

US Exercise: Payment Status

Log in to entity 10USACO.

- 1 Use Customer Payment Status Create (27.6.2.1) to create payment statuses for the payment instrument Draft.

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

EMEA Exercise: Payment Status

Log in to entity 22UKCO.

- 1 Use Customer Payment Status Create (27.6.2.1) to create payment statuses for the payment instrument Draft.

Field	Status 1	Status 2	Status 3
Status	Initial	For Collection	Paid
Bank Account Code	1120	1120	1120
Daybook Code		ARPAY	ARPAY
GL Account		1380	1380
Default Value Days	0	0	0

US Exercise: Customer Setup

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

- 1 In Business Relation Create (36.1.4.3.1), create the following business relation:

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

- 2 In the Address Info grid, right-click and select Insert a new row. Create the following address record:

Field	Value
Address Type	Headoffice
Address:	4750 E Indian School Rd
Zip/City:	85038-9093 Phoenix
State:	AZ
Country Code:	US

- 3 In Customer Create (27.20.1.1), create the following customer record:

Field	Value
Customer Code:	10C0999
Business Relation:	10-C0999
Bill-To Customer:	Leave blank.

- 4 In the Accounting tab of Customer Create, specify the following values:

Field	Value
Control GL Profile (Invoice):	ARcontrol3rdparty
Control GL Profile (Credit Note):	ARcontrol3rdparty
Control GL Profile (Prepayment)	ARcontrol3rdparty
Sales Account GL Profile:	Sales-Project
Finance Charge Profile:	FinCharge1
Sub-Account Profile:	DefSubAct
Currency Code:	USD
Customer Type:	WHSL

- 5 In the Payment tab of Customer Create, specify the following values:

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

- 6 In the Banking tab of Customer Create, right-click and select Insert a new line. Specify the following values:

Field	Value
Bank Format:	XX
Customer Bank Number:	AR201101
Own Bank Number:	55667342
Payment Format:	CUST-CHECK

- 7 In the Credit Limit tab of Customer Create, specify the following values:

Field	Value
Apply Fixed Ceiling:	Yes / 5,000,000
Include Sales Orders:	Yes
Include Open Items:	Yes
Calculate before Order Entry:	Yes
Calculate after Order Entry:	Yes
Credit Check Override Allowed:	Yes

- 8 In the Tax Info tab of Customer Create, specify the following values:

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

- 9 Save the customer record.

- 10 Complete the customer setup in Customer Data Maintenance (2.1.1) by specifying the following values:

Field	Value
Customer:	10C0999
Salesprsn1:	10SP01
Ship Via:	FEDX
Region:	US-W
Site:	10-400
Partial OK:	Enabled
Fixed Price:	Enabled
Daybook Set:	10-SALES
Class:	WHS�
RSS Calendar Option:	1
Time Zone:	PST/PDT
Freight List:	10FRT
Min Frt Wt:	1
Freight Terms:	ADD
EMT Type:	NON-EMT

- 11 In Customer Ship-to Create (27.20.2.1), create the following customer ship-to record:

Field	Value
Customer Code:	10C0999
Ship-To Code:	10C0999A

12 Click the Create button.

13 In the Address Info tab of the popup window, specify the following values:

Field	Value
Address:	850 Linden Ave
Zip/City	93013 Carpinteria
State	CA
Country Code	US

14 In the Tax Information tab of the popup window, specify the following values:

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

EMEA Exercise: Customer Setup

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

1 In Business Relation Create (36.1.4.3.1), create the following business relation:

Field	Value
Business Relation Code:	22-C0999
Name:	Vons
Search Name:	Safeway Inc c/o Vons

2 In the Address Info grid, right-click and select Insert a new row. Create the following address record:

Field	Value
Address Type	Headoffice
Address:	4750 E Indian School Rd
Search Name:	Safeway Inc c/o Vons
Zip/City:	BT12 11HQ Bristol
Country Code:	GB

3 In Customer Create (27.20.1.1), create the following customer record:

Field	Value
Customer Code:	22C0999
Business Relation:	22-C0999
Bill-To Customer:	Leave blank.

4 In the Accounting tab of Customer Create, specify the following values:

Field	Value
Control GL Profile (Invoice):	ARcontrol3rdparty
Control GL Profile (Credit Note):	ARcontrol3rdparty
Control GL Profile (Prepayment)	ARcontrol3rdparty
Sales Account GL Profile:	Sales-Project
Finance Charge Profile:	FinCharge1
Sub-Account Profile:	DefSubAct
Currency Code:	GBP
Customer Type:	WHSL

- 5 In the Payment tab of Customer Create, specify the following values:

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

- 6 In the Banking tab of Customer Create, right-click and select Insert a new line. Specify the following values:

Field	Value
Bank Format:	XX
Customer Bank Number:	AR201101
Own Bank Number:	UK5564999
Payment Format:	CUST-CHECK

- 7 In the Credit Limit tab of Customer Create, specify the following values:

Field	Value
Apply Fixed Ceiling:	Yes / 5,000,000
Include Sales Orders:	Yes
Include Open Items:	Yes
Calculate before Order Entry:	Yes
Calculate after Order Entry:	Yes
Credit Check Override Allowed:	Yes

- 8 In the Tax Info tab of Customer Create, specify the following values:

Field	Value
Taxable Customer:	Yes
Tax in City:	Yes
Tax Zone:	GB

- 9 Save the customer record.

- 10 Complete the customer setup in Customer Data Maintenance (2.1.1) by specifying the following values:

Field	Value
Customer:	22C0999
Salesprsn1:	22SP01
Ship Via:	FEDX
Region:	EUR
Site:	22-400
Partial OK:	Enabled
Fixed Price:	Enabled
Daybook Set:	22-SALES
Class:	WHSL
RSS Calendar Option:	1
Time Zone:	GMT
Freight List:	22FRT
Min Frt Wt:	1
Freight Terms:	ADD
EMT Type:	NON-EMT

- 11** In Customer Ship-to Create (27.20.2.1), create the following customer ship-to record:

Field	Value
Customer Code:	22C0999
Ship-To Code:	22C0999A

- 12** Click the Create button.

- 13** In the Address Info tab of the popup window, specify the following values:

Field	Value
Address:	850 Linden Ave
Zip/City	BT12 1HQ Bristol
Country Code	GB

- 14** In the Tax Information tab of the popup window, specify the following values:

Field	Value
Taxable Customer:	Yes
Tax in City:	Yes
Tax Zone:	GB

Chapter 6

Sales Process

Overview

Overview

- Functional overview
 - Process flows
 - Setup prerequisites
- Hands on exercise



EF-SP-020

In this section, you will learn how sales orders are processed in QAD Enterprise Applications, concentrating on the Financials side of the process. You will also see what data must be set up in Financials.

Functional Overview

Functional Overview

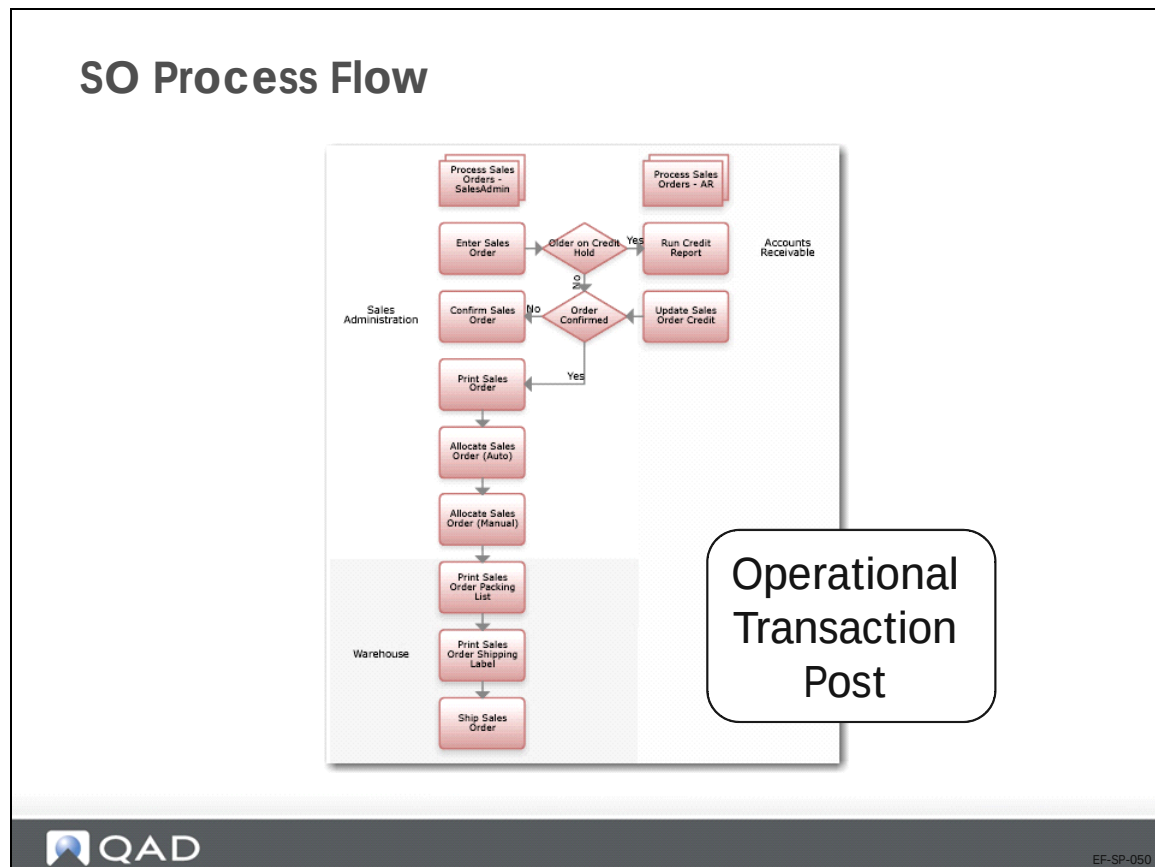
- Process Flows
 - Sales Order Management
- Setup prerequisites
 - Customer setup
 - Other setup parameters
- Invoicing



EF-SP-040

In the following pages, you will examine the sales orders process flow from quote to invoice. After reviewing the setup prerequisites, you will learn more about the invoicing process.

Sales Order Process Flow



The process map displays the sales order process flow from entering a sales order to shipping.

- The sales order may need to be confirmed. If the customer is on credit hold, the order cannot be confirmed.
- Sales order shipments create unposted transactions. Run Operational Transactions Post (25.13.7) to create the postings to Financials.

Setup Prerequisites

Setup Prerequisites: Customer

- Business Relation Create
- Customer Create (financial)
- Customer Data Maintenance (operational)
 - No SOs, quotes, or SSM transactions can be raised until operation data is set up
- Bill-to, Ship-to, End user
 - Creation of ship-to and end user records directly in SOs and SSM transactions
- Customer can be marked inactive in financials
 - Prevents any orders being created for that customer



EF-SP-060

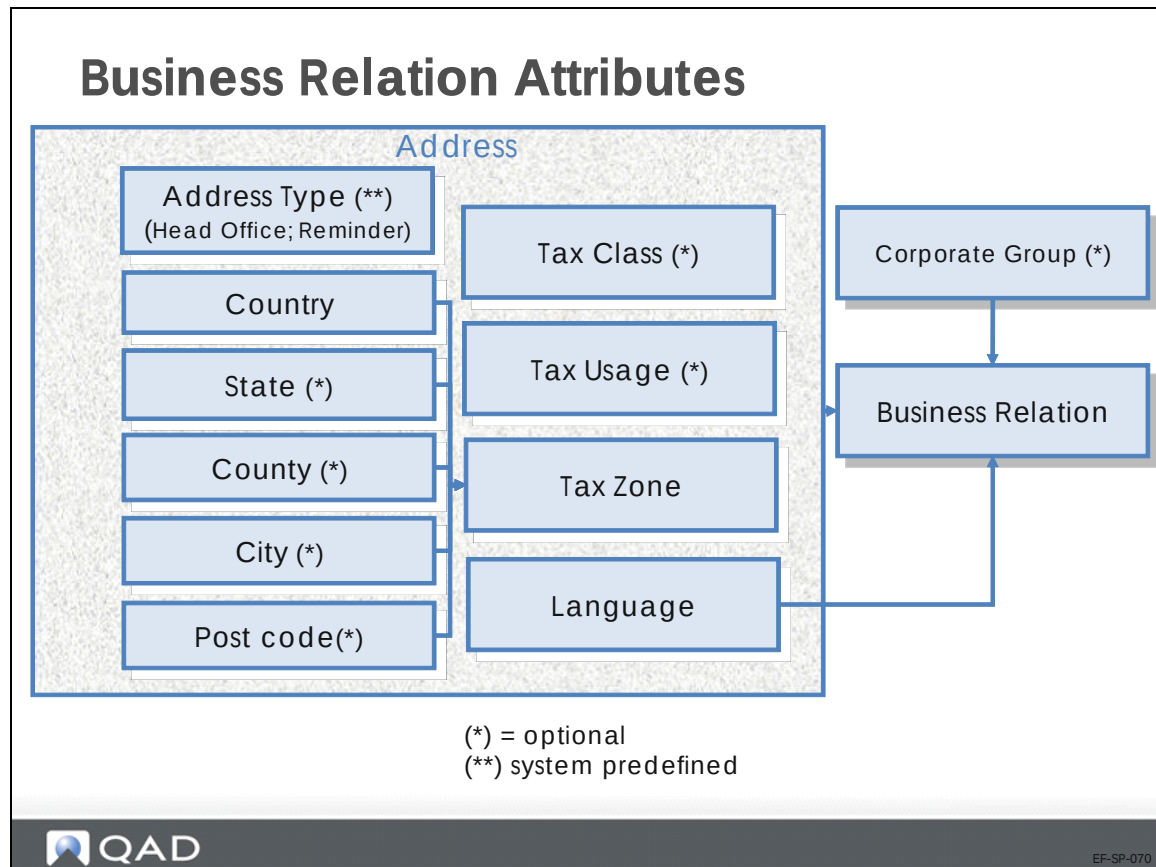
Customer Record

Before you can record operational transactions, such as sales orders, for a specific customer, you must create operational data (sites) for the customer in Customer Data Maintenance (2.1.1).

You can create additional addresses, such as the bill-to or ship-to, as required when creating sales orders or in the Service and Support Management module.

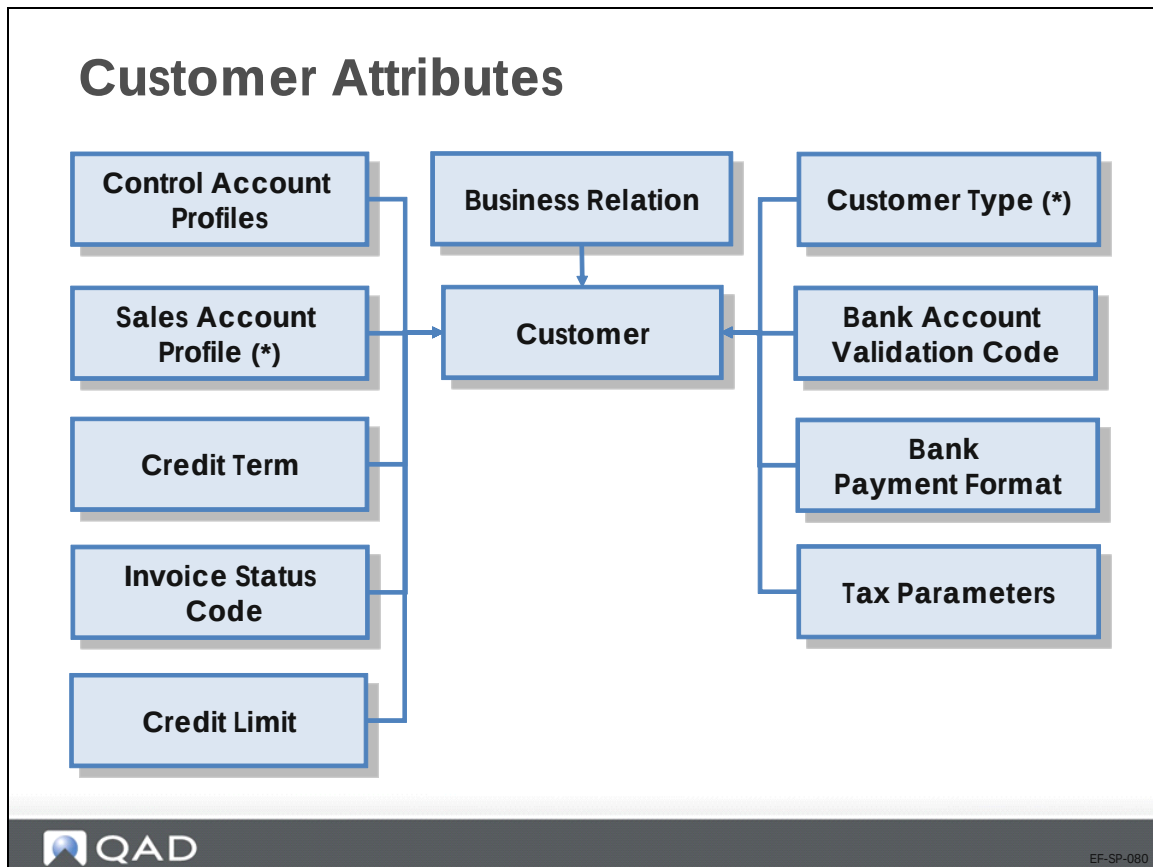
When transactions have been recorded for a customer, you cannot delete the customer data. However, you can mark the customer record inactive in Financials to prevent new orders from being created for the customer.

Business Relation Attributes



The slide displays which business relation attributes are used on a sales order.

Customer Attributes



The slide displays the sales orders attributes that originate from the customer record. These attributes must be defined before the customer can be used on transactions.

Other

Setup Prerequisites: Other

- Daybooks:
 - Operational: sales order based customer invoices
 - Financial: documents created directly in financials
 - Invoices, Credit Notes, Correction
 - Adjustments
 - Payments
 - Default
 - Daybook sets by site
- Correction invoices Y/N (optional)
- Payment instruments



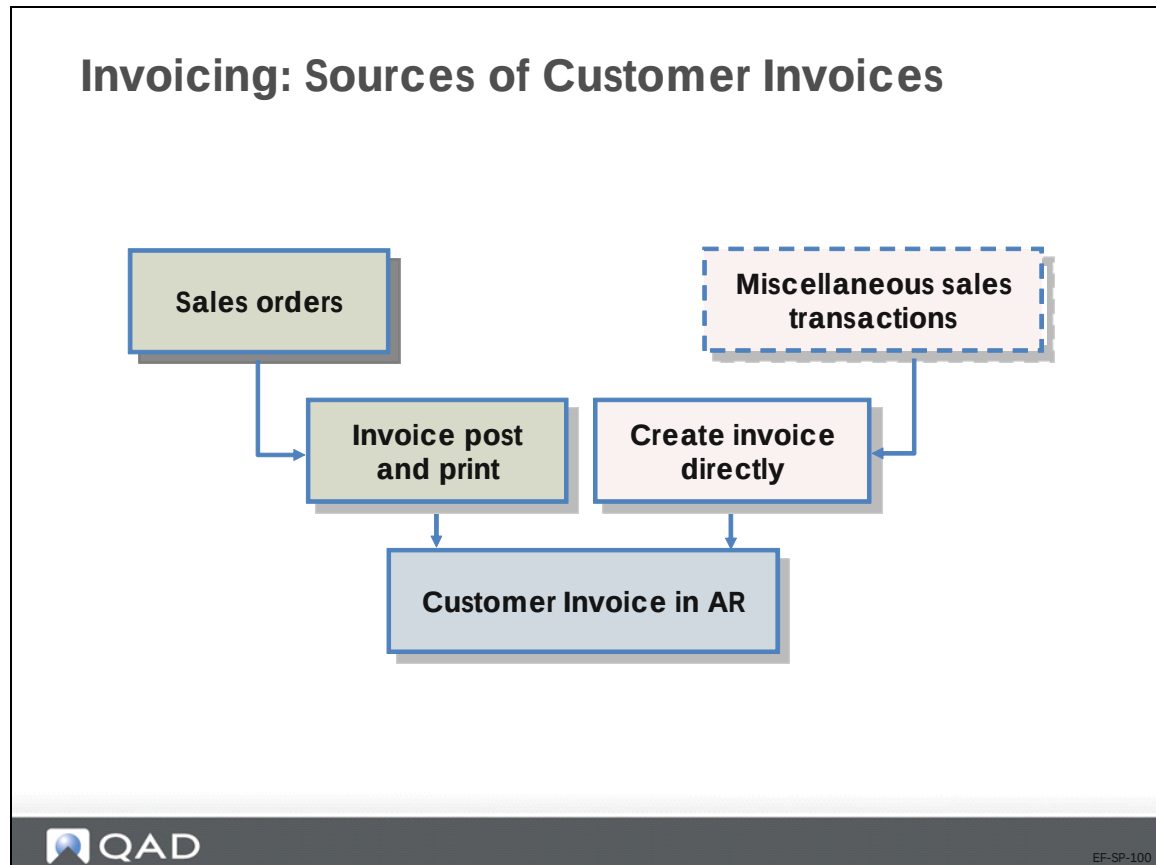
EF-SP-090

Daybooks are required for operational transactions, such as sales order shipments, and financial transactions, such as invoices, credit notes, adjustments, and payments. Default daybooks can be set up to facilitate order entry and invoice creation. Daybook sets are linked to customers to determine which daybook to use for each specific payment. See “Customer Setup” on page 127 for more information.

Correction invoices are used to link invoices for correction, such as price increases and decreases, and quantity adjustments, to the original invoice. Select the Use Correction Invoice field in Sales Order Accounting Control (36.9.6) if you want to use this feature.

You must define payment instruments in order to process payments. The payment instrument setup is described in “Banking Setup” on page 119.

Invoicing



Sources of Customer Invoices

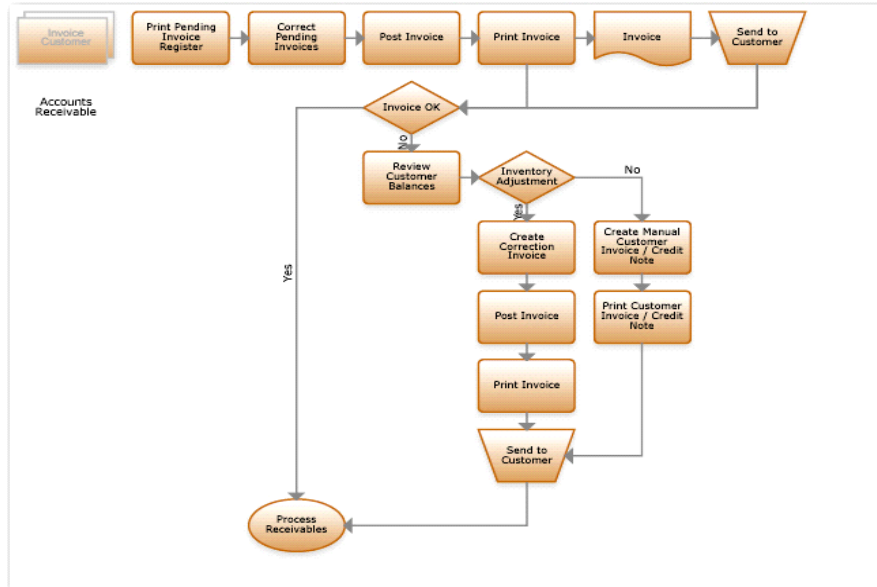
Customer invoices can either originate from sales orders, or can be created in Financials.

In the first instance, invoices are created using Invoice Post and Print (7.13.4).

In the second instance, invoices are created using Customer Invoice Create (27.1.1.1). Financial invoices can be created to process additional charges or price adjustments.

Customer Invoicing Process

Customer Invoicing Process



Invoicing - Highlights

Invoicing - Highlights

- Invoice numbers generated using daybooks and daybook sets
 - Supports separate numbering by site
 - Separate daybooks for SO invoices and financials invoices
- Invoice post and print combined
 - Only posted invoices can be printed
 - Reprinting possible (Invoice print or reprint)
 - Preview invoice print possible
 - Shipper number data is now passed to financials invoice record
- Correction invoices
 - Keep relationship with original invoice
 - All relevant detail automatically copied to the new sales order
 - Ship correction order to process return
- Reports
 - Invoice History Report (7.13.8)
 - Sales Order Tracking Inquiry (7.13.10)
 - Correction Invoice Link Report (7.13.6)



EF-SP-120

Invoice numbers are generated using daybooks. If the daybooks are set up by site, the invoice numbering is also site specific. This setting is a legal requirement in some European countries.

Invoice posting and printing are combined in QAD Enterprise Financials. Before posting, you can preview invoices. You can also reprint invoices after posting.

When the enhanced shipping functionality is used, the shipping data is passed to Financials for invoice creation.

The correction invoice functionality lets you maintain a link between original invoices and corrections. This function streamlines order entry because all details from the original invoice are copied to the new sales order, ready to be updated.

US Exercise: Sales Process

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

Use the following parameters where needed:

Parameter	Value
Entity	10USACO
Sub-account	Elec
Cost Center	default or Adm
Intercompany	USACO
Site	10-100
Location	010
Printer	PAGE

For all other fields, use the default or choose data from a lookup.

- 1 Use Sales Order Maintenance (7.1.1) to create a sales order.

Press Enter on the Order field. Note the order number (needed for the next step)_____.

Note Specify daybook set 10SALES (as opposed to 10-SALES, which defaults).

Sold-To: 10C1005 (Rockland Industrial Company) Bill-To, Ship-To: default to Sold-To.

Field	Value
Ln	1
Item Number	02003
Site	10-100
Qty Ordered	100
List Price	USD 2.34
Taxable:	No

Note In this exercise, enter the List Price in the field. Do not use the Price List popup window.

Press Enter to confirm the line. At line 2, click End Lines and then click Trailer to go to the trailer.

Press Next twice to confirm the order.

- 2 Use Sales Order Shipments (7.9.15) to ship all 100 units.

Field	Value
Order	Insert the order number created at step 1
Site	10-100

Press Next.

Field	Value
Ln	1
Quantity	100

Press Enter, then Next.

“Display sales order lines being shipped”: Yes.

“Is all information correct?”: Yes

- 3 Review the trailer and press Next twice to save.

- 4 Review the ready to invoice sales order in Pending Invoice Register (7.13.2).

Field	Value
Order	Enter the sales order number from step 1.
To	Re-enter the same number.

- 5 Review the created transactions using Unposted Transaction Register (25.13.14).

Field	Value
Entered Date	Today
To	Today

- 6 Use Operational Transaction Post (25.13.7) to post the sales order shipment. Limit postings by using the daybook ISS-SO and the current date.

Field	Value
Daybook	ISS-SO
To	ISS-SO

- 7 Review the GL transaction in Journal Entry View (25.13.1.3). Select transactions for daybook ISS-SO only.

Field	Value
Daybook Code	ISS-SO

Double-click on your transaction to review the posting details.

- 8 Use Preview Invoice Print (7.13.3) to print a draft invoice for your sales order.

Field	Value
Sales Order	Enter the sales order number created at Step 1.
To	Re-enter the SO number.

- 9 Use Invoice Post and Print (7.13.4) to post and print the customer invoice.

Enter the sales order number to post and print.

A new window opens with the posting details.

After reviewing the posting details, close the window. In the first window, click Next to print your invoice. A new window opens with your invoice.

- 10 View the customer invoice using Customer Invoice View (27.1.1.3).

Look for the customer number (10C1005 Rockland Industrial Company) in the browse and double-click it to select it. Click Search to display the invoices for this customer. You can use the browse filters to further target your search.

- 11 Review the invoice posting on the CI Posting tab.

- 12 Run the following reports for both the sales order shipment and the customer invoice:

GL Transaction Report (25.15.1.1)

GL Transactions Audit Log (25.15.1.9)

GL Transactions by Daybook (25.15.1.4)

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

Note If unposted transactions prevent the report from running, select Tools | Manage Filter Fields in the menu. Select to display the Check for Unposted Transactions filter criteria. Set Check for Unposted Transactions to No when running the report.

EMEA Exercise: Sales Process

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

Use the following parameters where needed:

Field	Value
Entity	22UKCO
Sub-Account	Elec
Cost Center	default, or Adm
Site	22-100
Location	10
Printer	PAGE

For all other fields, choose data from the lookups

Step by step instructions:

- 1 Use Sales Order Maintenance (7.1.1) to create a sales order.

Press Enter on the Order field. Note the order number (needed for the next step)_____.

Sold-To: 22C1001 (Teasdale Hospital). Bill-To, Ship-To: default to Sold-To.

Note Specify daybook set 22SALES (as opposed to 22-SALES, which defaults).

Press Enter/Next until you get to the Lines screen.

Field	Value
Ln	1
Item Number	02003
Site	22-100
Qty Ordered	100
List Price	GBP 2.34

Note In this exercise, enter the List Price in that field. Do not use the Price List popup window.

Press Enter to confirm the line. At line 2, click End Lines and then click Trailer to go to the trailer.

Press Next twice to confirm the order.

- 2 Use Sales Order Shipments (7.9.15) to ship all 100 units.

Field	Value
Order	Enter the order number created at Step 1.
Site	22-100
Lot/Serial:	Select from lookup

Press Next.

Field	Value
Ln	1
Quantity	100

Press Enter, then Next.

“Display sales order lines being shipped”: Yes.

“Is all information correct?”: Yes

Review the trailer and press Next twice to save.

- 3** Review the ready to invoice sales order in Pending Invoice Register (7.13.2).

Field	Value
Order	Enter the sales order number from Step 1.
To	Re-enter the same number.

- 4** Review the created transactions using Unposted Transaction Register (25.13.14).

Field	Value
Entered Date	Today
To	Today

- 5** Use Operational Transaction Post (25.13.7) to post the sales order shipment. Limit postings by using the daybook ISS-SO and specify the current date.

Field	Value
Daybook	ISS-SO
To	ISS-SO

- 6** Review the GL transaction in Journal Entry View (25.13.1.3). Select transactions of daybook ISS-SO only.

Field	Value
Daybook Code	ISS-SO

Double-click on your transaction to review the posting details.

- 7** Use Preview Invoice Print (7.13.3) to print a draft invoice for your sales order.

Field	Value
Sales Order	Enter the sales order number created at step 1
To	Re-enter the SO number

Click Next to confirm.

- 8** Use Invoice Post and Print (7.13.4) to post and print the customer invoice.

Enter the sales order number to post and print.

A new window opens with the posting details.

After reviewing the posting details, close the window. In the first window, click Next to print your invoice. A new window opens with your invoice.

- 9** View the customer invoice in Customer Invoice View (27.1.1.3).

Look for your customer number (22C1001 (Teasdale Hospital)) in the browse and double-click to select it. Click Search to display the invoices for this customer. You can use other browse filters to further target your search.

Review the invoice posting on the CI Posting tab.

10 Run the following reports for both the sales order shipment posting and the customer invoice posting:

- a** GL Transaction Report (25.15.1.1)
- b** GL Transactions Audit Log (25.15.1.9)
- c** GL Transactions By Daybook (25.15.1.4)

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

Note If unposted transactions prevent the report from running, select Tools | Manage Filter Fields in the menu. Select to display the Check for Unposted Transactions filter criteria. Set Check for Unposted Transactions to No when running the report.

Chapter 7

AR Process

AR Process Overview

AR Process Overview

- Basic sales flow ✓
- Sales flow variants
- AR management



EF-ARP-010

The Accounts Receivable process consists of the sales flow (basic and alternative flows) and AR management.

We have reviewed the basic sales process in QAD Enterprise Applications. We will now learn how to deal with variants of this process, and how to manage the different AR payment functions.

Sales Flow Variants

Sales Flow Variants

- Additional invoice for price increase
 - Demo and hands-on exercise
- Correction for overcharged price
 - Demo and hands-on exercise
- Using pending invoices
 - Demo and hands-on exercise
- Manual customer invoices
 - details



EF-ARP-020

Sales flow variants cover corrections to sales order based invoices and manual invoices (customer invoices created directly in Financials. Manual invoices are used, for example, for financial charges or as credit notes.

Most of these areas are covered in the following exercises:

US Exercise: Sales Flow Variant—Customer Invoice/Correction Invoice

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

Use the following parameters (if needed):

- Entity: 10USACO
- Sub-account: use Elec
- Cost center: use the default or else use Adm
- Site: 10-100
- Location: 010
- All other fields: use the lookup and choose from this list.
- Printer = PAGE

1 Create a sales order in Sales Order Maintenance (7.1.1).

Note the sales order number (needed for the next step) _____.

Note Specify daybook set 10SALES (as opposed to 10-SALES, which defaults).

Customer: 10C1005

Item: 02003

Quantity: 100

Unit price: 2.34

Taxable: No

2 Ship all 100 units of the sales order created in (1) using Sales Order Shipments (7.9.15).

3 Post the sales order shipment using Operational Transaction Post (25.13.7). Specify daybook ISS-SO and the current date.

4 Post and print the customer invoice using Invoice Post and Print (7.13.4).

5 You notice that you did not use the correct pricing and need to do an adjustment. Use Sales Order Maintenance (7.1.1) to create a new sales order and link it to the sales order created in (1).

Customer: 10C1005

Item: 02003

Quantity: 100

Unit price: 2.30

6 Use Sales Order Shipments (7.9.15) to ship all 100 units of the sales order created in (5).

7 Review the Pending Invoice Register (7.13.2).

8 Review Sales Order Shipped not Invoiced (7.15.20).

9 Look in Unposted Transaction Inquiry (25.13.13).

10 Post the sales order shipment using Operational Transaction Post (25.13.7). Specify daybook ISS-SO and the current date.

- 11 View transactions for daybook ISS-SO in Journal Entry View (25.13.1.3).
- 12 Post and print the customer invoice using Invoice Post and Print (7.13.4).

Important Select the Correction Invoices field.

- 13 View the customer invoice using Customer Invoice View (27.1.1.3).
- 14 Run the following reports for both the sales order shipment and the customer invoice:
 - GL Transaction Report (25.15.1.1)
 - GL Transactions Audit Log (25.15.1.9)
 - GL Transactions by Daybook (25.15.1.4)

Note If unposted transactions prevent the report from running, select Tools | Manage Filter Fields in the menu. Select to display the Check for Unposted Transactions filter criteria. Set Check for Unposted Transactions to No when running the report.

US Exercise: Sales Flow Variant—Service Fees/Trailer Charges

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

Use the following parameters (if needed):

- Entity: 10USACO
- Sub-account: use Elec
- Cost center: use the default or else use Adm
- Site: 10-100
- Location: 010
- All other fields: use the lookup and choose from the list
- Printer = PAGE

- 1 Create a sales order using Sales Order Maintenance (7.1.1).

Note Specify daybook set 10SALES (as opposed to 10-SALES, which defaults).

Customer: 10C1005

Item: 02003

Quantity: 100

Unit Price: 2.34

Taxable: No

Special: 200

Note The Special field is located in the Trailer section of Sales Order Maintenance.

- 2 Ship all 100 units of the sales order created in (1) using Sales Order Shipments (7.9.15).

- 3 Change the unit price and service fee using Pending Invoice Maintenance (7.13.1).

Field	Value
Customer:	10C1005
Item:	02003
Quantity:	100
Unit Price:	2.30
Special:	100

- 4 Review Sales Order Shipped not Invoiced (7.15.20).
- 5 Post the sales order shipment using Operational Transaction Post (25.13.7). Specify daybook ISS-SO and the current date.
- 6 Review Journal Entry View (25.13.1.3) for daybook ISS-SO.
- 7 Print the draft invoice for the sales order using Preview Invoice Print (7.13.3).
- 8 Post and print the customer invoice using Invoice Post and Print (7.13.4).
- 9 View the customer invoice using Customer Invoice View (27.1.1.3).

- 10** Run the following reports for both the sales order shipment and the customer invoice:

GL Transaction Report (25.15.1.1)

GL Transactions Audit Log (25.15.1.9)

GL Transactions by Daybook (25.15.1.4)

Note If unposted transactions prevent the report from running, select Tools | Manage Filter Fields in the menu. Select to display the Check for Unposted Transactions filter criteria. Set Check for Unposted Transactions to No when running the report.

EMEA Exercise: Sales Flow Variant—Customer Invoice/Correction Invoice

In this exercise, you will learn to create and post a correction invoice.

Use the following parameters where needed:

- Entity: 22UKCO
- Site: 22-100
- Location: 010
- Sub-account: use Elec
- Cost center: use the default or else use Adm
- For all other fields: use the lookup and choose from the list.
- Printer = PAGE

- 1 Use Sales Order Maintenance (7.1.1) to create a sales order.

Note the sales order number (needed for the next step) _____.

Note Specify daybook set 22SALES (as opposed to 22-SALES, which defaults).

Field	Value
Customer:	22C1001 (Teasdale Hospital)
Item:	02003
Quantity:	100
Unit Price:	2.34 GBP

- 2 Use Sales Order Shipments (7.9.15) to ship all 100 units of the sales order created in (1).
- 3 Use Operational Transaction Post (25.13.7) to post the sales order shipment. Specify daybook ISS-SO and the current date.
- 4 Use Invoice Post and Print (7.13.4) to post and print the customer invoice.
- 5 You notice that you did not use the correct pricing and need to do an adjustment. Use Sales Order Maintenance (7.1.1) to create a new sales order and link it to the sales order created in step (1).

Field	Value
Customer:	22C1001 (Teasdale Hospital)
Item	02003
Quantity:	100
Unit price:	2.30 GBP

- 6 Use Sales Order Shipments (7.9.15) to ship all 100 units of the sales order created in step 5.
- 7 Review Pending Invoice Register (7.13.2).
- 8 Review Sales Order Shipped not Invoiced (7.15.20).
- 9 Review Unposted Transaction Inquiry (25.13.13).

- 10 Use Operational Transaction Post (25.13.7) to post the sales order shipment. Limit transactions to post to sales order shipments by entering daybook code ISS-SO.
- 11 Review Journal Entry View (25.13.1.3) for daybook ISS-SO.
- 12 Use Invoice Post and Print (7.13.4) to post and print the customer invoice.
Important Select the Correction Invoices field.
- 13 View the customer invoice using Customer Invoice View (27.1.1.3).
- 14 Run the following reports for both the sales order shipment and the customer invoice:
 - GL Transaction Report (25.15.1.1)
 - GL Transactions Audit Log (25.15.1.9)
 - GL Transactions by Daybook (25.15.1.4)

Note If unposted transactions prevent the report from running, select Tools | Manage Filter Fields in the menu. Select to display the Check for Unposted Transactions filter criteria. Set Check for Unposted Transactions to No when running the report.

EMEA Exercise: Sales Flow Variant—Service Fees/Trailer Charges

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

Use the following parameters (if needed):

- Entity: 22UKCO
- Site: 22-100
- Location: 010
- Sub-account: use Elec
- Cost center: use the default or else use Adm
- For all other fields: use the lookup and choose from the list.
- Printer = PAGE

- 1 Create a sales order as follows.

Note order number (needed for the next step) _____.

Note Specify daybook set 22SALES (as opposed to 22-SALES, which defaults).

Field	Value
Customer:	22C1001 (Teasdale Hospital)
Item:	02003
Quantity:	100
Unit Price:	2.34 GBP
(Trailer) Service Fee:	200 GBP

- 2 Ship all 100 units of the sales order created in (1) using Sales Order Shipments (7.9.15).

- 3 Change the unit price and service fee using Pending Invoice Maintenance (7.13.1).

Field	Value
Customer:	22C1001 (Teasdale Hospital)
Item	02003
Quantity:	100
Unit price:	2.30 GBP
(Trailer) Service Fee:	100 GBP

- 4 Review Sales Order Shipped not Invoiced (7.15.20).
- 5 Post the sales order shipment using Operational Transaction Post (25.13.7). Specify daybook ISS-SO and the current date.
- 6 Review transactions in Journal Entry View (25.13.1.3) for daybook ISS-SO.
- 7 Print the draft invoice for the sales order using Preview Invoice Print (7.13.3).
- 8 Post and print the customer invoice using Invoice Post and Print (7.13.4).

- 9 View the customer invoice using Customer Invoice View (27.1.1.3).
- 10 Run the following reports for both the sales order shipment and the customer invoice:
 - GL Transaction Report (25.15.1.1)
 - GL Transactions Audit Log (25.15.1.9)
 - GL Transactions by Daybook (25.15.1.4)

Customer Invoice

Customer Invoice

- Header
- 7 Tabs
 - General
 - Addresses
 - Financial Info
 - Operational Info
 - Tax
 - CI Posting
 - Comments

EF-ARP-030

The Customer Invoice function is used for two purposes:

- 1 View and modify invoices and credit notes created by Invoice Post and Print (7.13.4). Most of the information on these sales related invoices defaults from the associated sales order and is set during invoice post; you can modify only a small subset of fields (see more details on this later).
- 2 Create invoices for miscellaneous customer charges or credit notes. For this type of manual invoice, you must specify most of the fields that are automatically populated during invoice post.

General Tab Highlights

General Tab Highlights

- Type
 - Invoice
 - Invoice Correction
 - Credit Note
 - Credit Note Correction
 - Finance Charge
- Transaction Currency Invoice Amount (TC Invoice)
- Base Currency Invoice Amount (BC Invoice)
 - Automatically calculated
 - Scale factor
- Daybook type
 - Specific types
 - Primary layer posting
- Link to Invoice
 - Use with credit notes
- Adjustment
 - Invoice adjustment daybook



EF-ARP-040

Base Currency Invoice Amount (BC Invoice). Automatically calculated using the correct accounting type exchange rate

Scale factor: Calculate actual exchange rate by multiplying defined exchange rate by scale factor (for use with a greatly inflated currency)

Daybook type. Specific types must be Customer Invoice, Customer Invoice Correction, Customer Credit Note, Customer Credit Note Correction, or Finance Charge. You can only select a daybook type that matches the type of invoice. Postings to primary (official) layer

Link to Invoice. Use with credit notes to link to existing invoices. When you link to an invoice, the system creates an automatic invoice adjustment.

Address Tab Highlights

Address Tab Highlights

- Ship from
 - Current entity business relation
 - (address type: head office)

- Ship to
 - Customer specific ship-to address
 - or
 - Customer head office address



EF-ARP-050

Use the Addresses tab to specify the Ship-From address, that identifies one of your inventory sites, and the customer ship-to address.

The address on the General tab is the bill-to address for the invoice.

All fields in this tab display read-only information for sales-related invoices, except for the Sold-To Customer Code.

The system uses the Ship-From and Ship-To addresses to select the correct tax environment for tax calculation.

Financial Tab Highlights

Financial Tab Highlights

- Credit information
 - Terms
 - Due Date
 - Payment date
 - customer promised payment date
 - CN Payment Allowed
 - TSM Number



EF-ARP-060

CN Payment Allowed: Indicates if credit notes can be selected for payment.

TSM Number: Select to include a unique structured message in the customer payment.

Operational and Tax Tabs - Highlights

Operational & Tax Tabs - Highlights

- Operational Tab
 - enter any operations related data
- Tax Tab
 - Invoice related tax information (GTM)



EF-ARP-070

The Operational Info tab displays data for sales-related invoices only. In this case, details about the originating sales order are displayed for reference. For a sales-related invoice, only the Sales Amount used for calculating commission can be modified. For a manually-created invoice, you can specify a purchase order number, sales amount, and salesperson.

When the invoice is taxable, the system calculates tax information and displays it on the Tax tab. This information is read only for sales related invoices, and reflects the tax amounts generated based on the order tax details.

CI Posting Tab Highlights

CI Posting Tab Highlights

- Customer Invoice (CI) Posting
- General Ledger posting info
 - Posting Reference
 - Posting Date
 - Daybook Code
 - Layer posted to
 - Description
 - Accounts (AR and Sales default from the profiles on the customer; Tax accounts default from Tax Rate Maintenance)



EF-ARP-080

The Customer Invoice Posting tab displays the account and posting information for the invoice or credit note. Invoice postings update the following accounts:

- Invoices debit Customer Control and credit Tax and Sales.
- Credit notes debit Tax and Sales and credit Customer Control.

The Customer Control and Sales accounts default from the profiles you define for the customer in the Customer Accounting tab. The Tax account defaults from details for the tax code defined in Tax Rate Maintenance. You cannot select a different Customer Control account or Tax account in the CI Posting tab.

Modifiable Fields in Customer Invoice

Modifiable Fields in Customer Invoice

- General tab
 - Description
 - Invoice status code
 - Contact
 - Credit note: link to invoice, adjustment
- Addresses: sold-to customer code
- Financial info
 - Credit terms, due date
 - Banking
- Comments



EF-ARP-090

You can still modify the fields listed above after the customer invoice has been posted.

AR Process Overview

- Basic sales flow ✓
- Sales flow variants ✓
- AR Management



EF-ARP-100

After reviewing the sales process in detail, you will now learn how Accounts Receivable are managed in QAD Enterprise Financials.

US Exercise: Sales Flow Variant—Credit Note

In this exercise, you will create and post financial customer invoices.

Use the following parameters (if needed):

- Entity: 10USACO
- Sub-account: use Elec
- Cost center: use the default or else use Adm
- Not taxable
- Daybooks: CIM (invoice), CCNM (CN)
- All other fields: use the lookup and choose from the list.
- Printer = PAGE

- 1 Create a customer invoice using Customer Invoice Create (27.1.1.1).

Field	Value
Customer Code:	10C1003
TC Invoice Amount:	\$2380.00 USD

- 2 Create a customer credit note.

Field	Value
Customer Code:	10C1003
TC Invoice Amount:	\$180.00 USD

Link the credit note to the invoice created in (1). Enter the number in the Link to Invoice field.
Review Journal Entry View (25.13.1.3) for the daybook.

- 3 View the customer invoice using Customer Invoice View (27.1.1.3).

- 4 Run the following reports for the customer invoice:

GL Transaction Report (25.15.1.1)

GL Transactions Audit Log (25.15.1.9)

GL Transactions by Daybook (25.15.1.4)

Note If unposted transactions prevent the report from running, select Tools | Manage Filter Fields in the menu. Select to display the Check for Unposted Transactions filter criteria. Set Check for Unposted Transactions to No when running the report.

EMEA Exercise: Sales Flow Variant—Credit Note

In this exercise, you will create a credit note.

Use the following parameters (if needed):

- Entity: 22UKCO
- Sub-account: use Elec
- Cost center: use the default or else use Adm
- Site: 22-100
- Location: 010
- Invoice Status Code: C-OK
- Not taxable
- Daybooks: CIM (invoice), CCNM (CN)
- For all other fields: use the lookup and choose from the list.
- Printer = PAGE

- 1 Use Customer Invoice Create (27.1.1.1) to create a customer invoice.

Field	Value
Customer:	22C1002 Electronic Services Ltd
Total Value:	2380 GBP

- 2 Use Customer Invoice Create (27.1.1.1) to create a credit note.

Field	Value
Customer:	22C1002 Electronic Services Ltd
Total Value:	180 GBP

- a Link it to the invoice created in the previous step. Enter the number in the Link to Invoice field.
 - b Open Journal Entry View (25.13.1.3) for each daybook.
 - c View the customer invoice using Customer Invoice View (27.1.1.3).
- 3 Review the Customer Activity Dashboard (27.18.1).

AR Management

AR Management Overview

- Credit Management
- Views and reports
- AR Payment
 - Using payment instruments
 - Finance charges



EF-ARP-110

Overview

In this section, you will learn about three main topics of AR Management:

- Credit management
- Views and reporting
- AR payments

Credit Management Highlights

Credit Management Highlights

- Maintained in financials
 - Replicated to operations
- Referred to by sales order functionality
- Shared across domains



EF-ARP-120

Credit checking lets you monitor overdue payments and customer account balances, and place further sales orders and invoices for this customer on hold when a specified credit limit has been exceeded.

Credit settings are maintained in Financials and are stored on the customer record (in the shared set), which means that the settings are replicated to all domains in the operational modules.

All sales order credit functions refer to the credit limit in the customer record, including open order balances and combined AR balances in all domains that use the same shared set.

AR Management Overview

- Credit Management ✓
- Views and reports
- AR Payment
 - Using payment instruments
 - Finance charges



EF-ARP-130

You will now learn more about views and reports available in Accounts Receivable.

The AR module includes many different reports and views that let you review customer information using customizable selection criteria.

Views and Reports

Views and Reports

- Customer Activity Dashboard
- Customer Aging Analysis Current
- Customer Statement of Account
- Reminders



EF-ARP-140

The views and reports most often used as part of AR management are:

- Customer Activity Dashboard (27.18.1)
- Customer Aging Analysis (27.17.6, 7, 8, and 9)
- Customer Statement of Account (27.17.19)
- Customer Reminder Overview (27.17.11)

Customer Activity Dashboard Highlights

Customer Activity Dashboard Highlights

- Comprehensive overview of all customer activity
- Single entity or multiple entities
- Credit information
- Invoices & associated payments
- Grid features to group & sort information



EF-ARP-150

The Customer Activity Dashboard offers a comprehensive overview of all activity related to a single customer, in a single entity or over multiple entities. The drill-down generates read-only credit information that includes the following areas:

- Sales order and open item balances
- Total current liability
- Individual drill-downs on invoices and credit notes

You can display credit information for a customer with reference to one or multiple entities in the domain, and see the balance for the selected entities and all entities.

Customer Aging Analysis Current Highlights

Customer Aging Analysis Current Highlights

- Offset periods in days or months
- At a specific date or at end of a specific period
- Aging analysis data grouped by: sub-account, sales account, GL profile or project
- Current or backwards
- Detail level:
 - Customer Totals Only
 - Full Details
 - Transactions Summary by Customer



EF-ARP-160

This report calculates aging for all due customer open items by the number of periods overdue at the specified date. All payments up to the day the report is generated are included.

On the customer aging reports, prepayments that are not allocated and remain as open items are included in the aging.

Customer Statement of Account Highlights

Customer Statement of Account Highlights

- Enabled in master data
- Statement cycle to print statements in batch
- Selected or all entities in a domain
- As of date criterion equals past effective date for report



EF-ARP-170

This report lists open items as of a certain date (default is today's system date) in all selected entities, grouped by currency and open item type with subtotals. Indicates the open item due date and if it is overdue.

One document is generated for each customer. The Header Entity field determines the address for your company printed on the statement. Only data for customers with Statement Cycle enabled that meets other selection criteria is included.

Enter a Statement Cycle to include only customers with a matching cycle.

Reminder Highlights

Reminder Highlights

- Enabled in customer master data
- Can be printed for one or more entities
- Text depends on reminder level
- Three reminder levels
- Reminder level for each invoice
- Customer reminder overview report
 - Details for all customers



EF-ARP-180

The reminder functionality (27.17.10) generates letters to be sent to selected customers regarding their open invoices. The address details of the headoffice address of the business relation associated with the specified Header Entity are printed at the top of the letter.

Customer Reminder Overview (27.17.11) provides a list for the credit management department to use for follow-up on open invoices with a reminder level greater than 0 (zero). Open credit notes and prepayments are always included. The report lists the reminder level, reminder date, due dates, and original and current balance for each selected customer open item. The customer contact details are derived from the primary contact defined for the Reminder address of the business relation associated with the customer.

AR Management Overview

- Credit Management ✓
- Views and reports ✓
- AR Payment
 - Using payment instruments
 - Finance charges



EF-ARP-190

The final AR Management topic you will learn is customer payments, including payment instruments and finance charges.

AR Payments

AR Management: AR Payment

- Banking entry
- Payment instrument without PIP account
 - Posted directly to GL
- Payment instrument with PIP account
 - Use payment status to control GL posting



EF-ARP-200

The system provides three alternatives for AR payments:

- 1 No payment instrument: In this case, a banking entry is created.
- 2 Using a payment instrument without PIP account: In this case, a payment gets a status of Paid and is posted directly to the bank GL account.
- 3 Using a payment instrument with a PIP account with a payment status of For Collection. In this case, you can either:
 - Change the payment status to Paid and post to the bank GL account.
 - Use a Banking Entry to allocate to the payment.

Customer Payment Instruments

Customer Payment Instruments

- Checks
- Drafts
 - Initiated by customer or supplier
- Direct Debit
- Promissory notes
- Summary statements
- Transfer
- Cash



EF-ARP-210

The system offers a number of predefined types of customer payment instruments, as listed above.

You will now review process flows for some of these payment instruments.

Customer Payment Status Codes

Customer Payment Status Codes

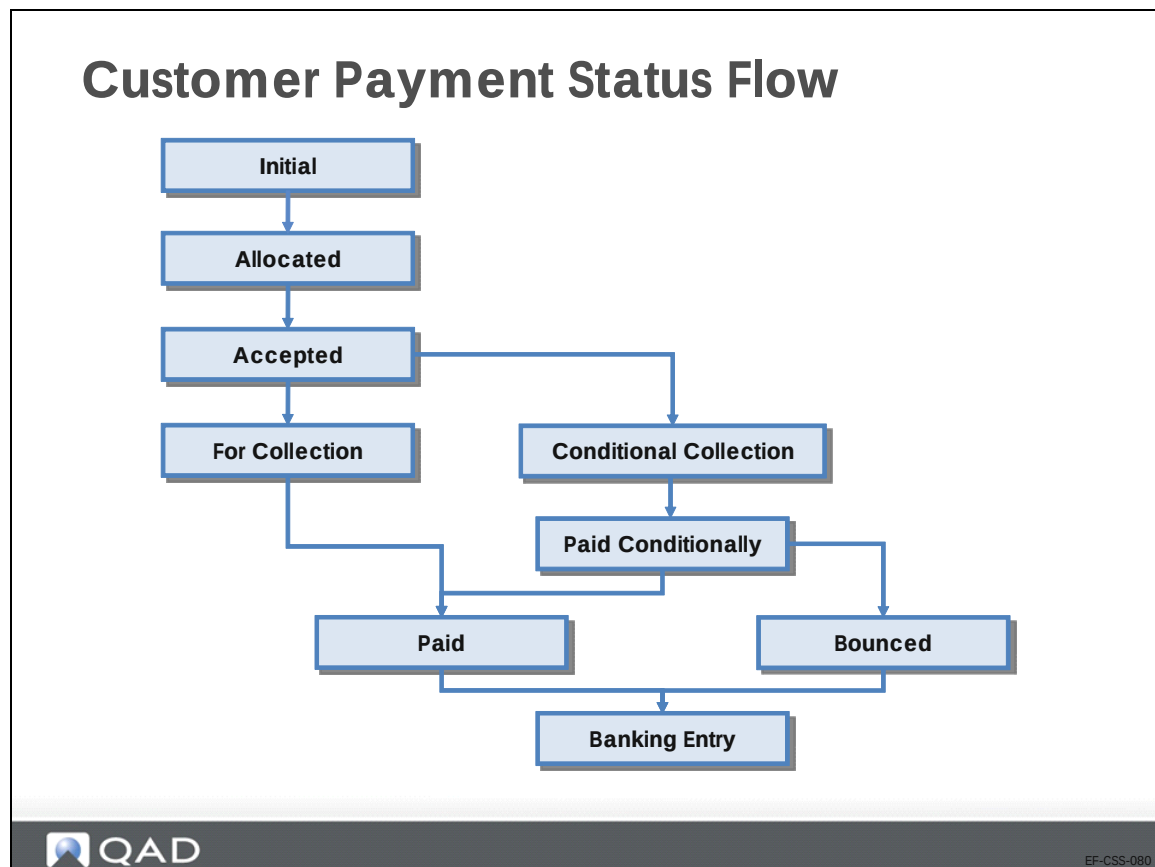
- For each payment instrument
- For each bank account
- PIP (Payment in process) account
- Payment daybook(s)
- Payment status change in batch possible
- Follow up by status
- Minimum recommended setup:
 - Initial
 - For collection
 - Paid



EF-CSS-070

Payments are associated with status codes, which are used to manage the payment process through final collection and updating of accounts. You process the payment by changing the payment status from one status to the next in the sequence that meets your business requirements.

Customer Payment Status Flow



It is not mandatory to process a payment through all of the states described. Some European and South American companies use the interim states and customer and supplier payment accounts to log the progress of the payment. US organizations, however, generally do not require interim states, and sometimes use Initial, For Collection, and Paid statuses only.

Customer Payment Status Create

Customer Payment Status Create

- Link to GL account

Payment Instrument	Direct Debit
Status	Paid Conditionally
Bank Account Code	1100
Daybook Code	ARPAY
GL Account	1380
Default Value Days	0



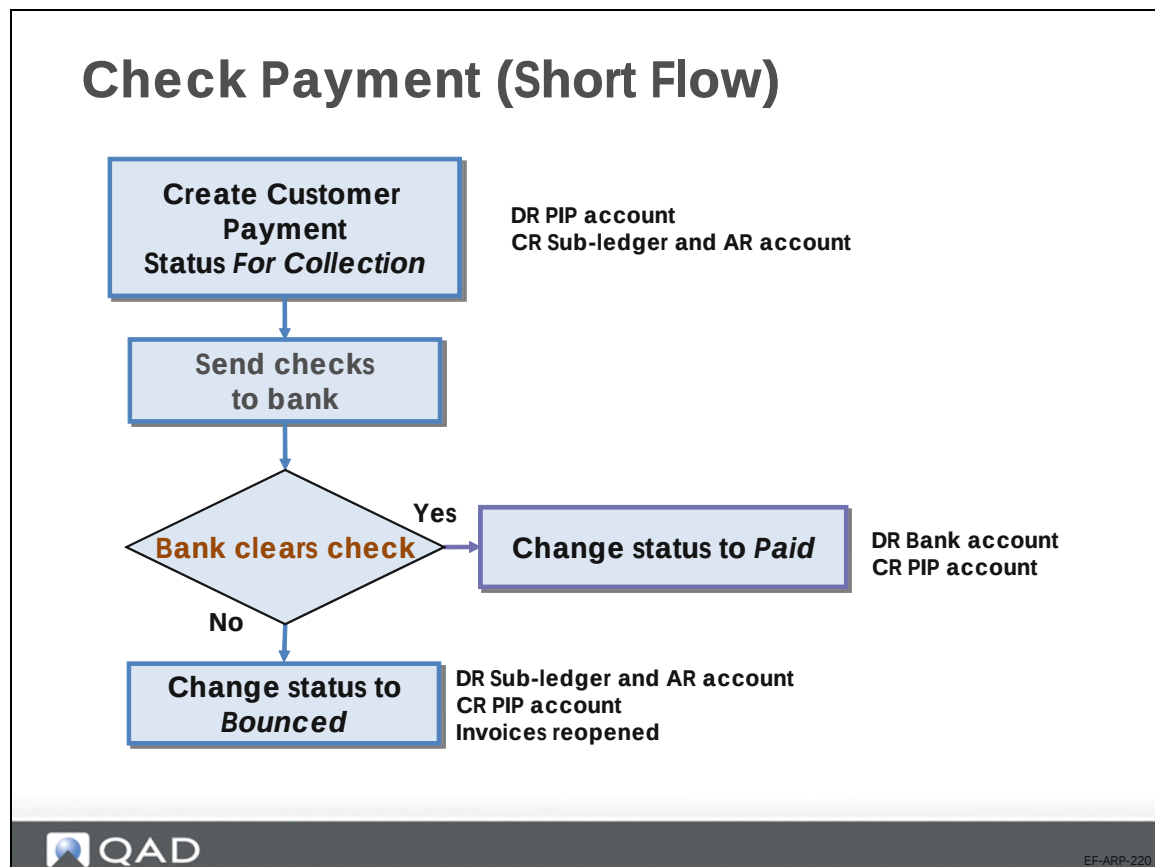
EF-ARP-215

Use the Customer Payment Status activities (27.6.2) to create, modify, view, and delete payment statuses.

The payment status is the transition state through which you process the customer payment, and contains the posting details for the transitions.

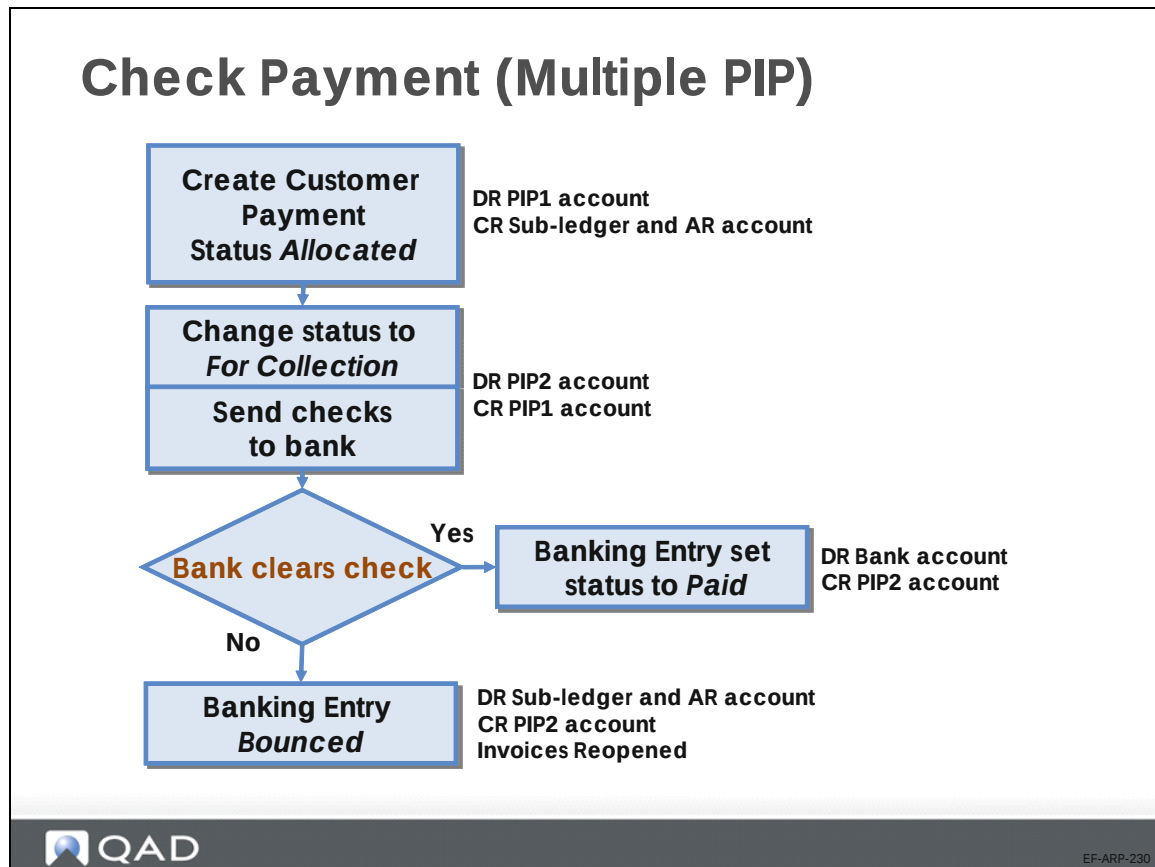
For each of the different payment statuses, you can define a specific GL account that represents the status.

Check Payment (Short Flow)



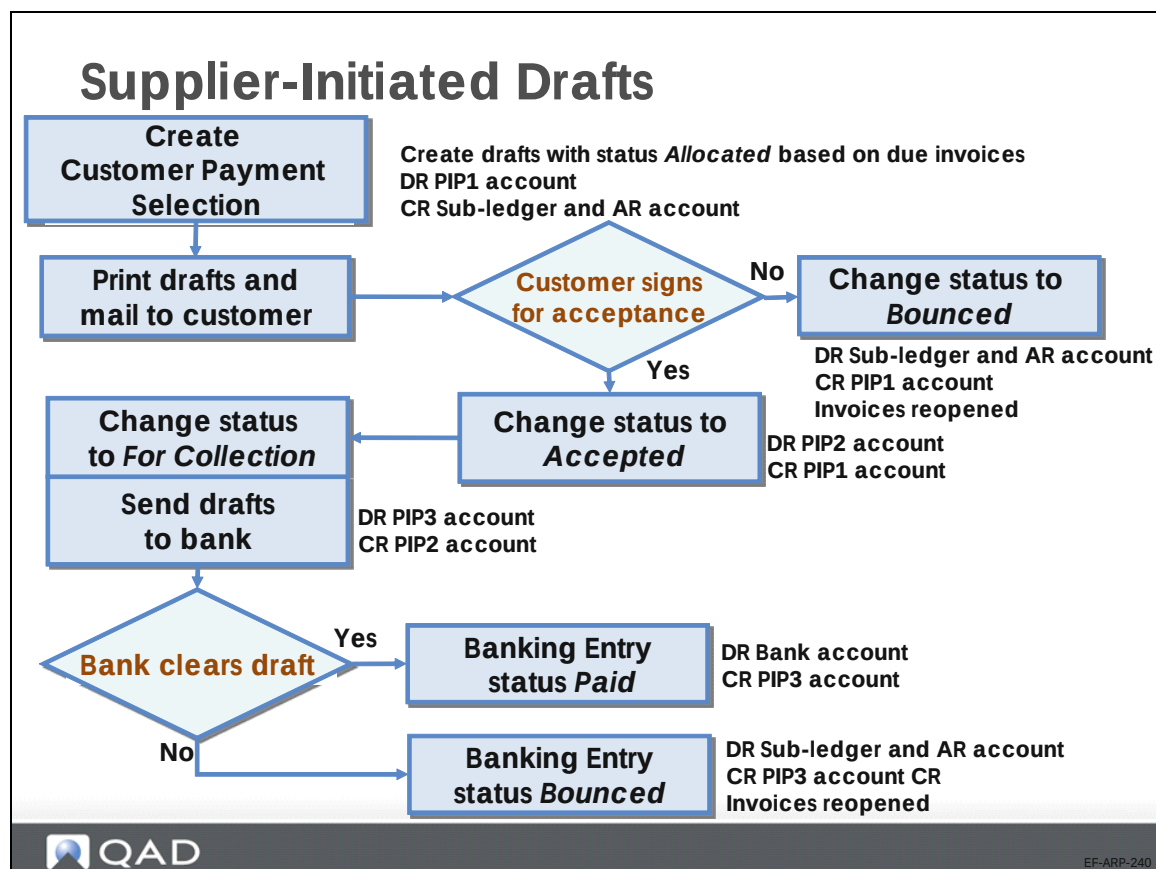
When the customer check is entered in the system, the payment status is set to Paid. The check is directly posted against the bank GL account and does not reference the PIP account.

Check Payment (Multiple PIP)



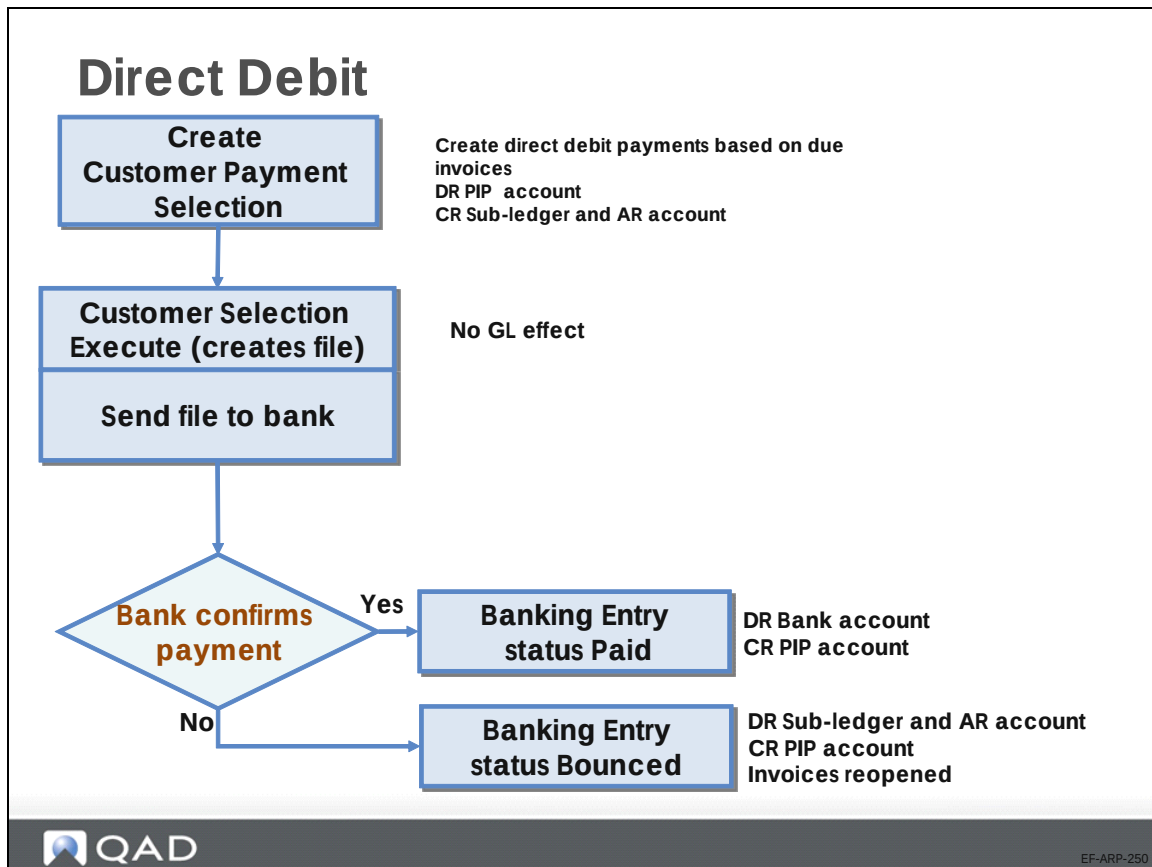
A PIP account is used to allow more efficient follow up and bank reconciliation.

Supplier-Initiated Drafts



The draft or bill of exchange is a negotiable security signed and dated by its issuer (in this case, you—the supplier). It contains an unconditional order or instruction for the customer, who draws upon it to pay a fixed amount on the agreed due date. The customer accepts the draft by signing it. Once signed, the draft is considered a collection instrument. Its form, content, and legal consequences are governed by law.

Direct Debit



Direct debit is an agreement between you, the customer, and the customer's bank that regular amounts are to be debited from the customer's account to settle open items. Direct debits can be in paper or electronic form. Direct debits are automatic payments, and can use the electronic payment formats.

Other Payment Instruments

Other Payment Instruments

- Drafts initiated by customer
 - Similar to checks
- Promissory notes, Summary statements
 - Similar to checks
- Cash and transfer
 - Processed directly in Bank, Cash entry



EF-ARP-260

Other payment instruments, such as customer-initiated checks, promissory notes, and summary statements, follow the same flow as customer checks.

AR Management

- Credit Management ✓
- Views and reports ✓
- AR Payment
 - Using payment instruments ✓
 - Finance charges



EF-ARP-270

Customer invoices that are not paid on the due date can be subject to finance charges. You will now learn about the finance charges functionality.

Finance Charges

Finance Charge Highlights

- Enable during customer setup
- Applied to overdue open items
- Contested invoices optional
- Run by currency
- GL transaction
 - DR: Customer Control Account
 - CR: Sales Finance Account



EF-ARP-280

The Finance Charge functionality is optional. You can enable the Finance Charge functionality during customer setup by selecting the Finance Charge and Statement Cycle fields on the Payment tab of the customer record.

Finance charges are applied to overdue open items (such as invoices, adjustments, or previous finance charges). You can exclude contested invoices from finance charge selection, based on the invoice status code.

The Finance Charge invoice postings are as follows:

- DR: Customer Control Account
- CR: Sales Finance Account (from the finance charge profile in the Accounting tab of the customer record)

Finance Charge Activities

The screenshot displays two overlapping windows from the QAD ERP system. The background window is titled "Finance Charge Create" and features a menu bar with "Go To", "Actions", "Tools", "Print", and "Preview". Below the menu is an "Attachments" section. The main area is divided into "Filter" and "Inputs" sections. The "Filter" section includes a "Bill-To" dropdown and a "Statement Cycle" text field. The "Inputs" section contains fields for "Currency", "As Of Date" (08/11/2008), "Effective Date" (08/11/2008), "Grace Days" (0), "Interest Rate Per Annum %" (0.00), "Minimum Finance Charge" (0.00), "Include Previous Finance Charges" (checkbox), "Daybook Code", "Contested Status", and "Unapplied Credit Exclusion Status". At the bottom, there are "Customer Code" and "Customer Selected" fields.

The foreground window is titled "Customer - Modify" and also has a menu bar with "Go To", "Actions", "Tools", "Attach", "Print", and "Preview". It includes an "Attachments" section and a "Customer Code" field (CE1500) with an "Active" checkbox checked. Below this is a "Business Relation" field (Comac Bikes UK) and a "B8-To Customer" field. A tabbed interface is visible with tabs for "Business Relation", "Accounting", "Payment", "Banking", "Defaults", "Credit Limit", "Tax Info", and "Comments". The "Payment" tab is selected, showing fields for "Credit Terms Code" (2M), "Invoice Status Code" (000), "Payment Group", "Invoice by Authorization" (checkbox), "Finance Charge" (checkbox, highlighted with a red box), "BL/VI Group Code", "Print Reminder" (checkbox), and "Print Statement" (checkbox). A "Statement Cycle" field is at the bottom.

The QAD logo is in the bottom left corner, and the text "EF-ARP-290" is in the bottom right corner.

Use Finance Charge Create (27.5.1) to create charges that apply to overdue customer open item amounts. You normally run finance charge calculations on a monthly basis, before issuing customer statements.

The system only calculates finance charges for customers for which the Finance Charge field is selected on the Payment tab in the customer record. You can also define the statement cycle for the customer using the Statement Cycle field and select overdue items by statement cycle.

US Exercise: AR Payment

Log in to entity 10USACO.

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

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

- 1 Use Payment Format Maintenance (25.11.1) to create a new payment format.

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

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

Field	Value
GL Account:	1105
Description:	US Bank
GL Type:	Bank Account
Category:	Asset

Posting Tab

Auto/Manual:	Manual

Currency Tab

Currency Code:	USD

Banking Tab

Entity Code:	10USACO
Default:	Yes
Bank Format:	XX
Own Bank Number:	11223344
Bank Daybook Profile:	BEUSD
AP Discount Account:	5700
AR Discount Account:	4220

- 3 Use Bank Payment Format Link (25.11.2) to link the newly-created payment format US-CUST_CH to the current bank account (11223344).
- 4 Use Customer Modify (27.20.1.2) to add the combination of the payment format US-CUST_CH and the current own bank account to the Banking tab of customer 10C1003, Pacific Health Care Systems.

Field	Value
Default:	Yes
Bank Format:	XX
Customer Bank Number:	NA
Own Bank Account Number:	11223344
Payment Format:	US-CUST_CH

Note Ensure that only one bank number is marked as default for the entity 10USACO.

- 5 Use Customer Payment Status Create (27.6.2.1) to set up payment statuses for checks:

Status 1

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

Status 2

Field	Value
Payment Instrument:	Check
Status:	For Collection
Bank Account Code:	1105
Daybook Code:	ARPAY
GL Account:	1380

Status 3

Field	Value
Payment Instrument:	Check
Status:	Paid
Bank Account Code:	1105
Daybook Code:	ARPAY
GL Account:	1380

- 6 Use Customer Invoice Create (27.1.1.1) to create a customer invoice for customer 10C1003, Pacific Health Care Systems.

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

- 7 Use Customer Payment Create (27.6.4.1) to record the check payment of 1500 USD for customer 10C1003. Allocate this check to the customer invoice that was created in the previous step (6).

Field	Value
Customer:	10C1003
Amount:	1500
Currency:	USD
Reference:	CH001
Status:	For Collection

- 8 Use Customer Payment View (27.6.4.3) to view the customer payment.
- 9 Use Customer Activity Dashboard (27.18.1) to view both the customer invoice and the customer payment.
- 10 Use Customer Payment Mass Change (27.6.4.5) to change the status of the check from For Collection to Paid.

Field	Value
Posting Date	Enter the invoice posting date.
Customer Code	10C1003
Change Status	Yes
New Status for Selected Rows	Paid

- 11 After entering your customer number, click Add. All payments for this customer display.
- 12 Select your payment in the grid, and click Save.
- 13 Use Journal Entry View (25.13.1.3) to review the postings generated in the ARPAY daybook.

EMEA Exercise: AR Payment

Log in to entity 22UKCO.

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

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

- 1 Use Payment Format Maintenance (25.11.1) to create a new payment format.

Field	Value
Code:	UK-CUST_CH
Description:	Customer Checks UK
Module:	Accounts Receivable
Payment Type:	Both
Payment Instrument:	Check
Active:	Yes

- 2 Use Bank Payment Format Link (25.11.2) to link the newly-created payment format UK-CUST_CH to the current bank account (UK5564999).

- 3 Use Customer Modify (27.20.1.2) to add the combination of the payment format UK-CUST_CH and the current own bank account to the Banking tab for customer 22C1000, Auto-Plas International.

Field	Value
Default:	Yes
Bank Format:	XX
Bank Account Number:	NA
Own Bank Account Number:	UK5564999
Payment Format:	UK-CUST_CH

- 4 In Customer Payment Status View (27.6.2.3), verify if the following payment statuses for checks exist. If not, create the statuses using Customer Payment Status Create (27.6.2.1).

Status 1

Field	Value
Payment Instrument:	Check
Status:	Initial
Bank Account Code:	1120
Daybook Code:	<blank>
GL Account:	<blank>

Status 2

Field	Value
Payment Instrument:	Check
Status:	For Collection

Field	Value
Bank Account Code:	1120
Daybook Code:	ARPAY
GL Account:	1380

Status 3

Field	Value
Payment Instrument:	Check
Status:	Paid
Bank Account Code:	1120
Daybook Code:	ARPAY
GL Account:	1380

- 5 Use Customer Invoice Create (27.1.1.1) to create a customer invoice for customer 22C1000.

Field	Value
Description:	Misc. items
Amount:	1500
Currency:	GBP
Invoice Status Code:	C-OK
Taxable:	No
Daybook:	CIM

- 6 Use Customer Payment Create (27.6.4.1) to record the check payment of 1500 GBP for customer 22C1000. Allocate this check to the customer invoice that was created in the previous step.

Field	Value
Customer:	22C1000
Amount:	1500
Currency:	GBP
Reference:	CH001
Status:	For Collection

- 7 Use Customer Payment View (27.6.4.3) to view the customer payment.
- 8 Use Customer Activity Dashboard (27.18.1) to view both the customer invoice and the customer payment.
- 9 Use Customer Payment Mass Change (27.6.4.5) to change the status of the check from For Collection to Paid.

Field	Value
Posting Date	Enter the invoice posting date.
Customer Code	22C1000
Change Status	Yes
New Status for Selected Rows	Paid

After entering your customer number, click Add. All payments for this customer display.
Select your payment in the grid, and click Save.

- 10 Use Journal Entry View (25.13.1.3) to review the postings generated in the ARPAY daybook.

Chapter 8

Reporting Overview

Reporting Overview

Overview

- Reporting features
- Customization options
- QAD Reporting Framework (QRF)



EF-RO-020

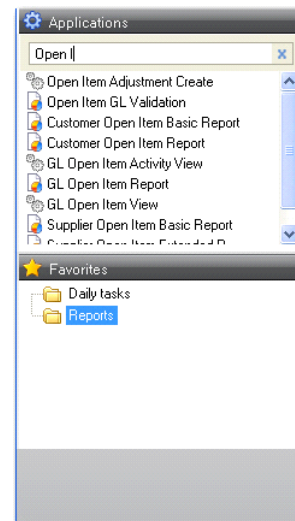
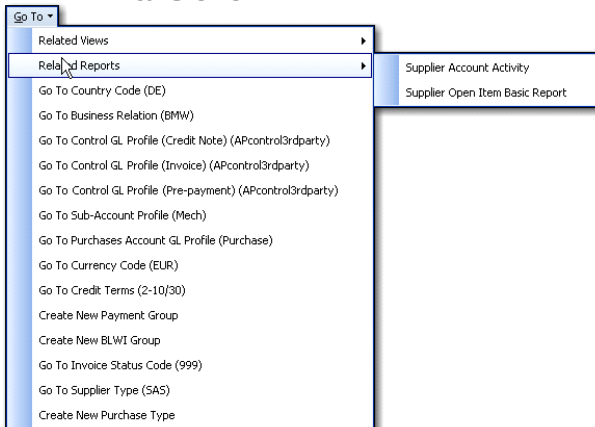
In this section, you will learn about report features in QAD Enterprise Financials, how to run reports, and which customizations are available to facilitate searching data and reporting.

This section also introduces the QAD Reporting Framework (QRF), which has been used for new reports since QAD 2009.1 EE.

Standard Reports

Standard Reports

- Cover all areas of the QAD Enterprise Financials
- Extensive functionality in report creation & management
- Accessible
 - From the main menu
 - Via GoTo



EF-RO-030

A number of standard reports are shipped with the standard QAD Enterprise Financials.

The standard reports are accessible from the main menu pane, and using the GoTo (or right-click context) menu from within another menu.

For quick access, add reports you use often to your favorites.

The majority of Financials reports are implemented using Crystal reports. However, as of QAD 2009.1 EE, any new reports introduced with each subsequent release will be implemented using QRF.

Standard Reports Selection

Standard Reports Selection

Relevant user defined fields are included

SAF Code Trans Detail Report

Tools Print Preview Variant

Report Variants

Filter

GL Period All GL Cal Year All

Check if History is up to date

Entity 999 - SYSADM CAN-01 CONS-EMEA CONS-US EMEA-DE

Sub-Account GL

Server Output Processing

Schedule... Execute Close

SAF Code Trans Detail Report - Schedule

Name SAF Code Trans Detail Weekly Report

Description Weekly SAF Manager Report

Start Date 09/01/2008

Start Time 12:01 PM

Iterations 100

Frequency Weekly

Save Close

Execute now or Schedule for later

QAD EF-RO-040

Screens are widely configurable in QAD Enterprise Financials. A separate User Interface training course describes how to customize screen display and remove or add fields. User-defined fields are included in reports.

You can run a report immediately, or choose to schedule it to run later. In this case, a popup window opens to let you enter details for running the report at a later date.

The slide shows the standard report selection criteria window for Crystal reports.

Standard Reports Output

Standard Reports Output

- View in new window
- Print, export, email

Cost Center Transaction Summary

Filter Values for this Report

COA Code	Description	Compare Period	Opening Balance	Period Activity	Closing Balance	Cum Period Activity	Unit	Period Quantity
Admin	Administration	0.00.01	0.0001	16.910.0001	16.910.0001	EUR	16.910.0001	0.00
30000	Travel Expenses	0.00.01	0.0001	2.000.0001	2.000.0001	EUR	2.000.0001	0.00
30000	General Services	0.00.01	0.0001	2.000.0001	2.000.0001	EUR	2.000.0001	0.00
30100	ICT Expenses	0.00.01	0.0001	8.800.0001	8.800.0001	EUR	8.800.0001	0.00
30100	General Services	0.00.01	0.0001	8.800.0001	8.800.0001	EUR	8.800.0001	0.00
30000	Research & Maintenance	0.00.01	0.0001	8.800.0001	8.800.0001	EUR	8.800.0001	0.00

Standard outputs include printer, file, or email. Various formats are available, such as PDF and Excel.

You can email reports to email addresses or to roles. For example, you can schedule the system to send an AR Aging report weekly to all users in a collection.

Report Customization Levels

Report Customization Levels

- Usage
 - Filter fields management, report options, variants
 - Using QAD .Net UI
- Layout
 - Using Crystal reports designer
- Business Logic
 - Requires source code customization



EF-RO-060

You can customize Financials reports at three levels:

- Customization at usage level

Modify filter fields, report options, create and save variants, or configure the user interface. This option is described later in this course.

- Layout customization

If you have Crystal Reports designer skills, you can make any changes to the output layout. This option is described later in this course.

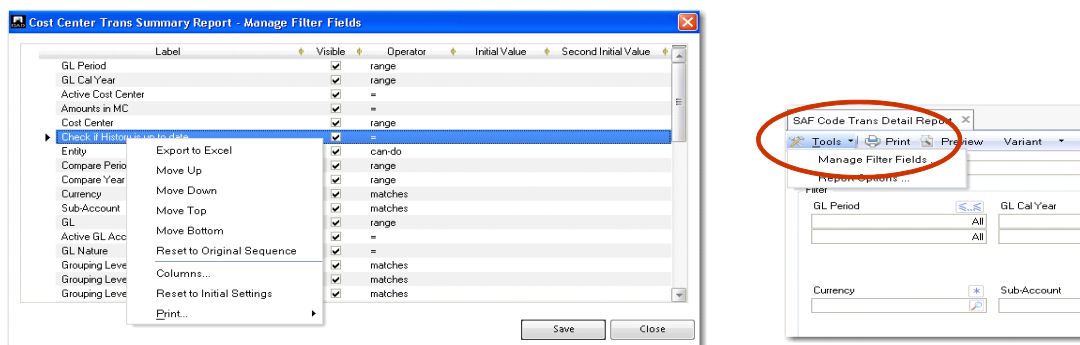
Note For QRF reports, you must have QRF Report Designer skills to customize reports.

- Modify reports business logic in the source code. This option requires software customization skills.

Usage Customization

Usage Customization – Standard Reports

- Use filter fields
 - Define how data is filtered
- Manage filter fields
 - Select from the list of available filter fields
 - Set the sequence of the fields on the UI
 - Set initial values

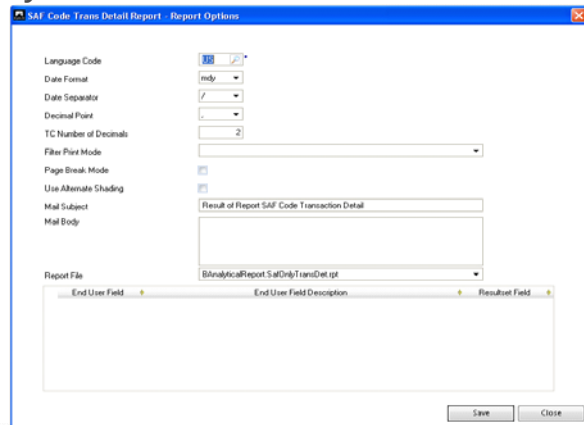


Use filter fields and store your search criteria for later reuse. You can remove or add filter fields, set the sequence in which the fields display, and set initial values for each field.

To modify report filter fields, click on Tools > Manage Filter Fields from within a report. A popup window appears that lets you select or deselect fields, change the operator, and set initial values. Right-click on a field to access more options, such as options that let you move the filter fields up or down, or that let you reset the original sequence.

Usage Customization – Standard Reports

- Report options
 - date format
 - language
 - numeric format
 - filter data on report y/n
 - alternate shading
 - user defined fields



Click Tools and then Report Options to modify the report format options, the report language, and to determine whether to use data on the report or not (this field is mandatory).

Add user-defined fields to the report using this screen.

Report Variants

Report Variants – Standard Reports

- Specific selection criteria can be stored
 - Available next time the report is started
 - Unlimited number of variants
 - Saved for personal usage or shared with other users

- All variants
 - are based on the same data
 - use different filter criteria
 - can use a different report layout

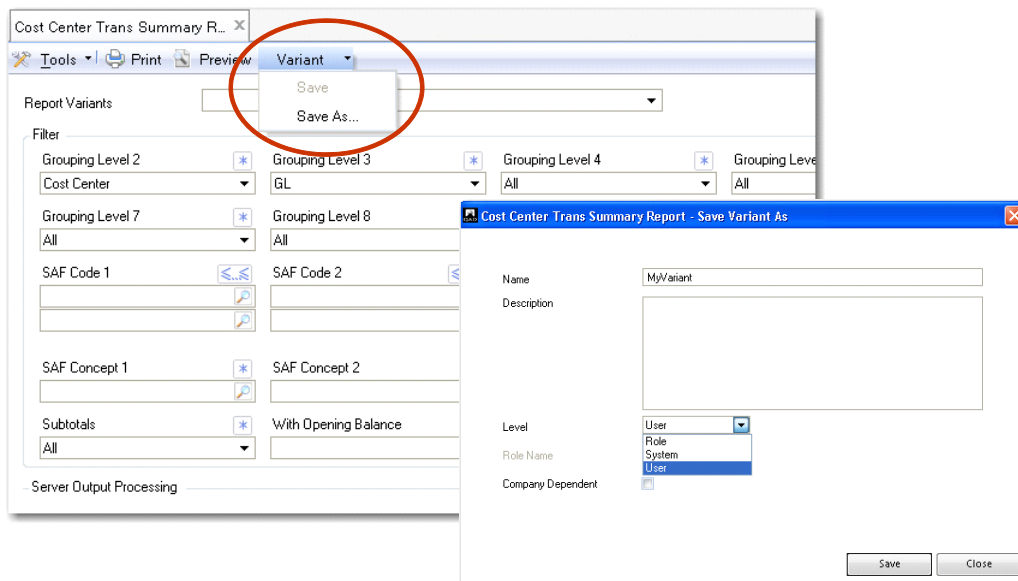


EF-RO-090

When you have customized the report usage, you can store it as a report variant. The report variant will then be available the next time you start the report. In the Save screen, you can choose to share the report variant with other users.

Report Variants—Continued

Report Variants – Standard Reports



To save a report variant, click Variant > Save As... on the menu toolbar.

After you specify a report name and description, select whether you want to share the report variant with other users with a specific role (Role), with all users (System), or to use it yourself (User).

US and EMEA Exercise: Usage Customization

Note In the US, log in to entity 10USACO. In EMEA, log in to entity 22UKCO.

In this exercise, you will create a report variant.

- 1 Open the Cost Center Trans Summary report (25.15.3.1).
- 2 Select Tools / Manage Filter Fields.
- 3 Experiment with adding and removing fields for selection, reordering them (right-click on a field name), and adding initial values (select variables from the drop-down list).
- 4 Note that initial values must be in the appropriate format for the specific field.
- 5 Select Tools / Report Options.
- 6 Experiment with changing the formatting. Specify whether you want the filter criteria to appear on the report output.
- 7 Select Variant - Save As to store your changes.
- 8 Leave the report (close window), and reopen it. Select your variant.

Layout Customization

Layout Customization (Crystal Report Designer)

- Associated with standard report or variant
- Crystal Report design skills required
- Examples :
 - Change sort order
 - Add or remove columns
 - Other business fields of the objects in the report
 - User-Defined Fields (UDF) of the objects in the report
 - Calculated fields
 - Add or remove break levels (subtotals)
 - Change fonts, logo, other graphics



EF-RO-130

With Crystal Report Designer skills, you can modify the report output (standard or variant).

Customization examples include changing the column sorting order, adding or removing columns, adding break levels for subtotals, and cosmetic changes, such as adding your logo, changing colors, or graphics.

Example: Report Layout Customization

Example: Report Layout Customization

- Report : Customer Statement of Account
- Scenario :
 - Make a UDF 'Transaction Type' available for a report
 - Edit layout
 - Data formatting : suppress leading zero's
 - Position address info
 - Add the UDF to layout
 - Add logo



EF-RO-140

The next page shows an example of layout customization, as described above.

Layout Customization—Before and After

BEFORE

Statement of Account

Date: 27/9/2007

ABC Company
150 JFK Parkway
07960 Morrisstown
United States of America

Dudley Office
Waterfront Business Park
JingMao Tower
DYS 1/LX Blaney Hill
Belgium Bastlands
Phone: 56022301
Fax: 56022302-3456
Email: jwc@qad.com

Dear Sir or Madam,

Your account now shows the following list of open items. If there are any discrepancies please inform us.

Yours faithfully

Mike Taylor
Credit Controller
56022301

Overdue	Voucher	Type	Creation Date	Due Date	Invoice Amt	Open Balance
Yes	2007/10/10-BANK/0000000056	Prepayments	30/01/2007	03/05/2007	-2,713.00	-2,713.00
No	2007/QADDB1000000015	Invoices	25/09/2007	29/12/2007	4,000.00	4,000.00
Open Amount by Currency : EUR					1,287.00	1,287.00
Yes	2005/Pan1/000000199	Invoices	29/11/2006	03/03/2007	106.00	106.00
Yes	2005/Pan1/000000190	Invoices	30/11/2006	03/03/2007	106.00	106.00
Yes	2005/Pan1/000000194	Invoices	04/12/2006	07/03/2007	106.00	106.00
Yes	2005/Pan1/000000193	Invoices	04/12/2006	07/03/2007	106.00	106.00
Yes	2005/Pan1/000000191	Invoices	04/12/2006	07/03/2007	106.00	106.00
Yes	2005/Pan1/000000195	Invoices	05/12/2006	08/03/2007	106.00	106.00
Yes	2005/Pan1/000000196	Invoices	05/12/2006	08/03/2007	106.00	106.00
Yes	2005/Pan1/000000197	Invoices	05/12/2006	08/03/2007	106.00	106.00
Yes	2005/Pan1/000000198	Invoices	05/12/2006	08/03/2007	106.00	106.00
Yes	2005/Pan1/000000203	Invoices	20/12/2006	23/03/2007	106.00	106.00
Yes	2005/Pan1/000000201	Invoices	20/12/2006	23/03/2007	106.00	106.00
Yes	2005/Pan1/000000202	Invoices	20/12/2006	23/03/2007	106.00	106.00
Yes	2007/Pan1/0000000004	Invoices	05/01/2007	08/04/2007	53.00	53.00
Yes	2007/CP042/0000000017	Invoices	25/01/2007	29/04/2007	173.90	173.90
Yes	2007/Customer/0000000071	Invoices	07/02/2007	11/05/2007	2,000.00	2,000.00
Yes	2007/880C/000000157	Invoices	12/04/2007	14/07/2007	1,362.10	1,362.10
Yes	2007/880C/000000158	Invoices	12/04/2007	14/07/2007	31.80	31.80
Yes	2007/880C/000000159	Invoices	12/04/2007	14/07/2007	1,363.30	1,363.30
Yes	2007/880C/0000002317	Invoices	11/05/2007	12/05/2007	10.00	10.00
No	2007/02/0000000002	Invoices	16/09/2007	10/10/2007	500.00	500.00
No	2007/880C/0000000716	Invoices	27/09/2007	09/11/2007	100.00	100.00
No	2007/880C/0000000714	Invoices	27/09/2007	09/11/2007	100.00	100.00
No	2007/880C/0000000690	Invoices	09/08/2007	10/11/2007	1,070.00	1,070.00
No	2007/880C/0000000715	Invoices	27/09/2007	29/12/2007	100.00	100.00
Open Amount by Currency : USD					8,156.90	8,156.90

AFTER

Statement of Account

Date: 27/9/2007

ABC Company
150 JFK Parkway
07960 Morrisstown
United States of America

Dudley Office
Waterfront Business Park
JingMao Tower
DYS 1/LX Blaney Hill
Belgium Bastlands
Phone: 56022301
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Mike Taylor
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Overdue	Voucher	Type	Creation Date	Due Date	Trans Type	Invoice Amt	Open Balance
Yes	2007/10/10-BANK/0000000056	Prepayments	30/01/2007	03/05/2007		-2,713.00	-2,713.00
No	2007/QADDB1000000015	Invoices	25/09/2007	29/12/2007	License	4,000.00	4,000.00
Open Amount by Currency : EUR						1,287.00	1,287.00
Yes	2005/Pan1/000000199	Invoices	29/11/2006	03/03/2007	Spare Parts	106.00	106.00
Yes	2005/Pan1/000000190	Invoices	30/11/2006	03/03/2007	Spare Parts	106.00	106.00
Yes	2005/Pan1/000000194	Invoices	04/12/2006	07/03/2007	Spare Parts	106.00	106.00
Yes	2005/Pan1/000000193	Invoices	04/12/2006	07/03/2007	Spare Parts	106.00	106.00
Yes	2005/Pan1/000000191	Invoices	04/12/2006	07/03/2007	Spare Parts	106.00	106.00
Yes	2005/Pan1/000000195	Invoices	05/12/2006	08/03/2007	Spare Parts	106.00	106.00
Yes	2005/Pan1/000000196	Invoices	05/12/2006	08/03/2007	Spare Parts	106.00	106.00
Yes	2005/Pan1/000000197	Invoices	05/12/2006	08/03/2007	Spare Parts	106.00	106.00
Yes	2005/Pan1/000000198	Invoices	05/12/2006	08/03/2007	Spare Parts	106.00	106.00
Yes	2005/Pan1/000000203	Invoices	20/12/2006	23/03/2007	Spare Parts	106.00	106.00
Yes	2005/Pan1/000000201	Invoices	20/12/2006	23/03/2007	Spare Parts	106.00	106.00
Yes	2005/Pan1/000000202	Invoices	20/12/2006	23/03/2007	Spare Parts	106.00	106.00
Yes	2007/Pan1/0000000004	Invoices	05/01/2007	08/04/2007	Fin Charge	53.00	53.00
Yes	2007/CP042/0000000017	Invoices	25/01/2007	29/04/2007	Expenses	173.90	173.90
Yes	2007/Customer/0000000071	Invoices	07/02/2007	11/05/2007	License	2,000.00	2,000.00
Yes	2007/880C/000000157	Invoices	12/04/2007	14/07/2007	Services	1,362.10	1,362.10
Yes	2007/880C/000000158	Invoices	12/04/2007	14/07/2007	Expenses	31.80	31.80
Yes	2007/880C/000000159	Invoices	12/04/2007	14/07/2007	Services	1,363.30	1,363.30
Yes	2007/880C/0000002317	Invoices	11/05/2007	12/05/2007	Fin Charge	10.00	10.00
No	2007/C192	Invoices	16/09/2007	10/10/2007	License	500.00	500.00
No	2007/880C/0000000716	Invoices	27/09/2007	09/11/2007	Expenses	100.00	100.00
No	2007/880C/0000000714	Invoices	27/09/2007	09/11/2007	Expenses	100.00	100.00
No	2007/880C/0000000690	Invoices	09/08/2007	10/11/2007	Services	1,070.00	1,070.00
No	2007/880C/0000000715	Invoices	27/09/2007	29/12/2007	Expenses	100.00	100.00
Open Amount by Currency : USD						8,156.90	8,156.90

EF-RO-160

QAD Reporting Framework

QAD Reporting Framework (QRF)

- As of QAD 2009.1, the QRF is used
- All new reports from QAD 2009.1 EE onwards were created using QRF.

QRF Reports - Selection Criteria

The screenshot shows the 'AP Tax Register Details - View...' window. The 'Filter' tab is active, displaying a 'Search Conditions' table. The table has columns for the field name, operator, search value, and a plus/minus icon. The 'Document' dropdown menu is highlighted with a red box. Three callout boxes with arrows point to specific elements: 'Select output type' points to the 'Document' dropdown; 'Add criteria' points to the plus icon in the 'Tax Register' row; 'Remove criteria' points to the minus icon in the 'Tax Register' row.

Field	Operator	Search Value	Plus/Minus
Tax Register	contains		+ -
Reporting Currency	contains		+ -
Posting Date	range		+ -
GL Cal Year	range		+ -
GL Period	range		+ -
Tax Year	range		+ -
Tax Period	range		+ -
Print Header	equals		+ -
Print Lines	equals		+ -
Trial / Final	equals		+ -
Sort By	equals		+ -

QAD EF-RO-054

By default, a QRF report displays all the records available in the source data. However, you may want to retrieve just a certain range of records in the report; for example, sales records between last September and this March. You do this by setting filter conditions to filter data in the report.

The search operators include the following:

- equals
- not equals
- contains
- range
- starts at (the default)
- greater than
- less than
- is null
- is not null

If you choose the Range operator, enter a beginning value of the range in the first search box. Optionally, enter an ending value of the range in the second search box.

To refine your search further, click the plus (+) icon to add another search row. You can add as many rows as needed, each with different search values and operators. When you specify several criteria, note that multiple criteria for the same field are treated as a logical AND condition.

To remove a search criteria row, click on the delete (X) icon.

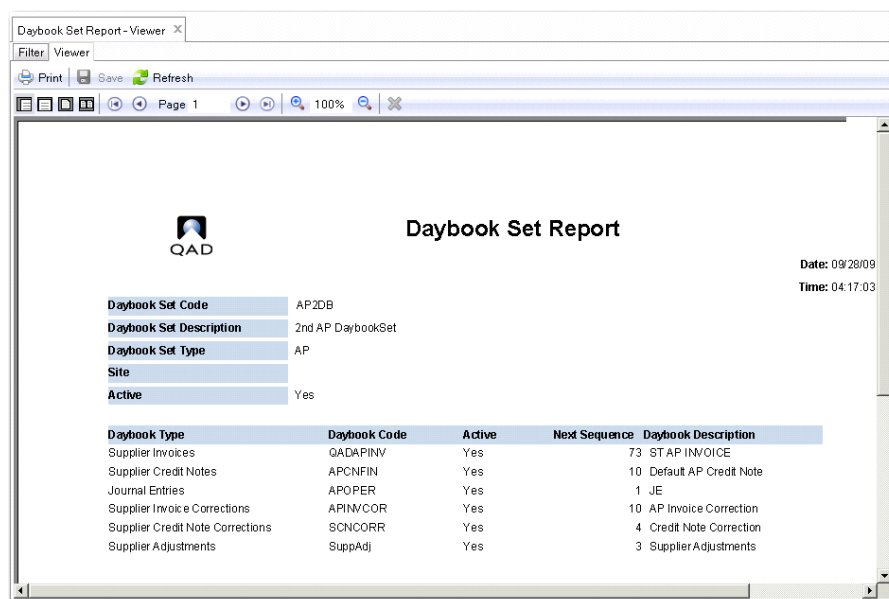
Optionally, save the new filter conditions as a filter for future reuse.

On the toolbar, select an output format from the list next to the Settings button. You can choose from three output formats when the report is run:

- Document: The report is displayed in the Report Viewer window.
- Excel: The report is generated in Microsoft Excel format. You can save the file and open it in the Report Viewer window.
- PDF: The report is generated in PDF format.

QRF Reports - Viewer

QRF Reports – Viewer



EF-RO-056

In the Report Viewer, use the toolbar buttons to navigate through the report and perform other functions such as saving and printing.

Button	Name	Description
	Print	Send the report to a printer.
	Save	Save the report to a specified location.
	Refresh	Regenerate the report using your last setting.
	Actual Size	Display the report in its actual size.
	Page Width	Fit the report to the width of the Report Viewer window.
	One Page	Display the report in a one page view in the Report Viewer window.
	Two Pages	Display the report in a side-by-side two page view in the Report Viewer window.
	First Page	Jump to the first page.
	Previous Page	Go to the previous page.
	Next Page	Go to the next page.

Button	Name	Description
	Last Page	Jump to the last page.
	Zoom In	Magnify the report preview size.
	Size	Specify the exact report preview size.
	Zoom Out	Decrease the report review size.
	Cancel Rendering	Cancel rendering the report.

QRF is described in more detail in the *Advanced Financials* training course.

Chapter 9

Supplier Setup

Overview

Overview

- Supplier setup flow
- Supplier setup highlights
- Mandatory data for supplier setup
 - Supplier type

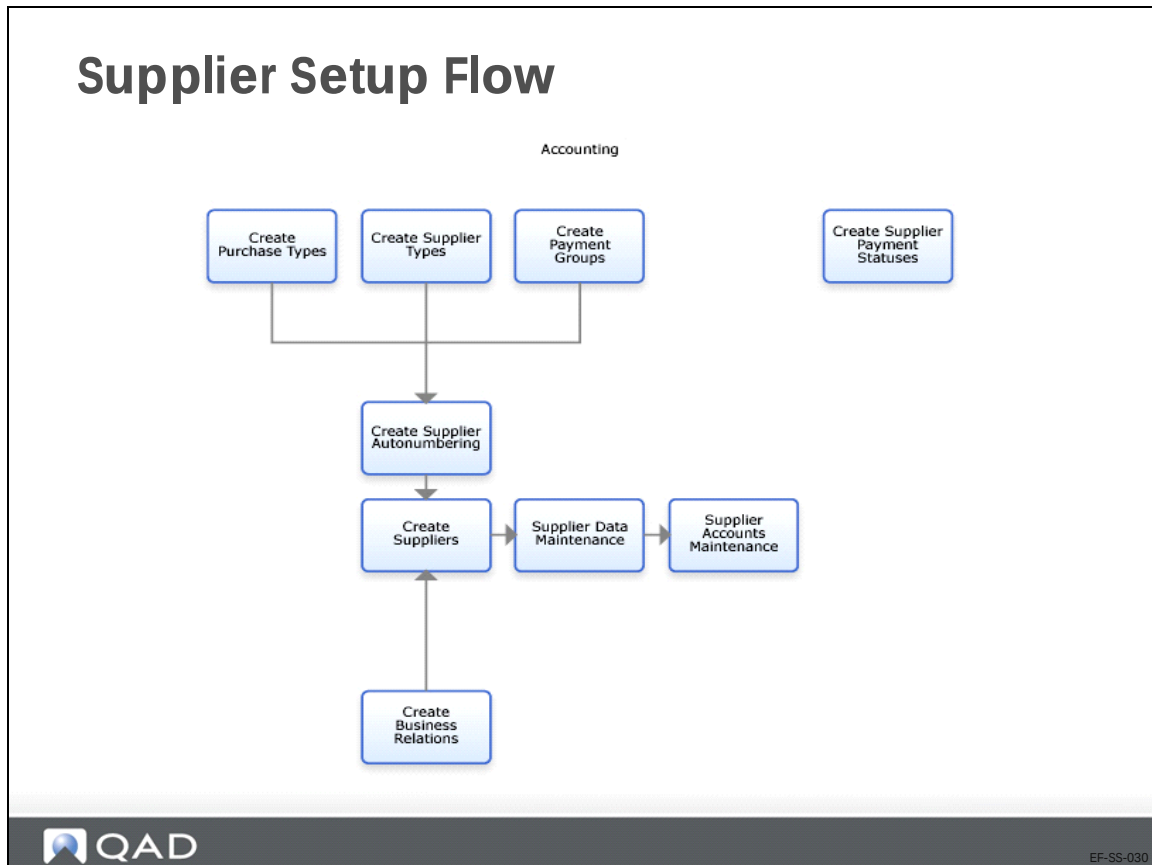


EF-SS-020

Supplier addresses, like customer addresses, determine default field values and affect how supplier transactions are processed in the system. Remit-to addresses are used when payments created in accounts payable must be sent to an address other than the supplier address. Each supplier can have only one remit-to address. You define remit-to addresses in the business relation with an address type of remittance.

Before setting up suppliers, you must first define payment formats, payment groups, bank account numbers, and supplier types. Payment formats and groups are discussed in the financial foundations section. We will discuss the other elements in the following pages.

Supplier Setup Flow



The process to set up suppliers consists of several steps, which are illustrated in the process map above.

Use the Supplier function (28.20.1) to set up codes that represent the companies you purchase goods and services from. Suppliers are used in purchasing, accounts payable, Service and Support Management, and other functions.

Review the supplier setup steps on the process map or directly in QAD Enterprise Applications under the menu Industry Process Model (40.1).

Supplier Setup - Highlights

Supplier Setup - Highlights

- Three control accounts
- Purchase account profile
- Banking tab:
 - Link supplier bank acct to your bank, payment format
- Separate operational supplier data
 - Supplier Data Maintenance
- Email notification
- Autonumbering sequences



EF-SS-040

Before you set up suppliers, you must first define payment formats, payment groups, bank account numbers, and supplier types. These topics are described separately.

Control accounts must be available and set up for suppliers invoices, credit notes, and prepayments. Control accounts are entered as profiles on the supplier account record. The purchase account profile is required too, and is used in the purchase of non-inventory items. You must set up the accounts and profiles before you define suppliers.

The accounts and payment formats are stored on the Banking tab. These details are automatically retrieved for supplier payments and selections.

Mandatory Data

Mandatory Data for Supplier Setup

- Financial (Supplier Create)
 - Supplier code
 - Supplier type
 - Business relation
 - Account Profiles
 - Credit Terms
 - Invoice Status Code
 - Tax Zone
- Operational (Supplier Data Maintenance)
 - No mandatory data



EF-SS-050

This section lists the financial data that is mandatory when creating a supplier record. There is no mandatory operational data for suppliers.

Supplier Type

Supplier Type

- Reporting
 - Link to purchasing account to track purchasing costs by supplier type

Supplier Type Create

Go To Actions Tools Attach Print

Attachments

Code RMS

Description Raw Materials Supplier

Active ☒



EF-SS-060

Use Supplier Type activities (28.20.2) to create, view, modify, and delete codes for grouping suppliers. You can use supplier types to select groups of suppliers for reporting.

You can define GL purchasing accounts by product line, site, and supplier type in Purchasing Account Maintenance (1.2.5). This lets you track purchase costs for different types of suppliers separately.

Supplier Setup

Supplier Setup

- Financial setup: Supplier Create
- Operational setup: Supplier Data Maintenance

The screenshot displays two overlapping windows from the QAD software interface. The background window is titled 'Supplier Data Maintenance' and contains a form for managing supplier information. It has a 'Supplier Address' section with fields for Name, Address, City, Country, Attention, Telephone, and Fax. Below this is a 'Supplier Data' section with fields for Sort Name, Supplier, Ship Via, Remarks, Carrier, and Purchase Contact. The foreground window is titled 'Supplier Create' and features a 'Business Relation' tab. It includes fields for Supplier Code, Business Relation, and an 'Active' checkbox. Below these are tabs for Accounting, Payment, Banking, Defaults, Tax Info, and Comments. The main area of the 'Supplier Create' window contains fields for Name, Address, Zip/City, and Country Code. The QAD logo is visible in the bottom left corner, and the text 'EF-SS-070' is in the bottom right corner.

Use the Supplier Activities (28.20.1) to create, view, modify, or delete suppliers. You can link a supplier to an existing business relation, or create a new business relation, as required.

You can only delete a record if it is not referred to in the system. Otherwise, mark the record as inactive.

You can use Excel Integration (28.20.1.5) to export supplier records to or load records from an Excel spreadsheet, including bank accounts. See “UI Navigation and Browsing” on page 25 and *User Guide: QAD Financials* for more details.

After creating a supplier in Supplier Create (28.10.1.1), specify additional operational data in Supplier Data Maintenance (2.3.1). When a new supplier is created, an email is automatically sent to the members of the SupplierNotify role responsible for creating this data.

US and EMEA Exercise: Invoice Status

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

Log in to entity 10USACO in the US and 22UKCO in EMEA.

- 1 Use Invoice Status Code Create (36.1.11.1) to create the following new invoice status codes:

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

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

Chapter 10

Purchasing Process

Overview

Overview

- Demo
- Functional overview
 - Requisition to purchase order receipt flow
 - Supplier invoice flow
 - Receiver matching vs. financial matching
 - Supplier payment flow
- Hands-on exercise

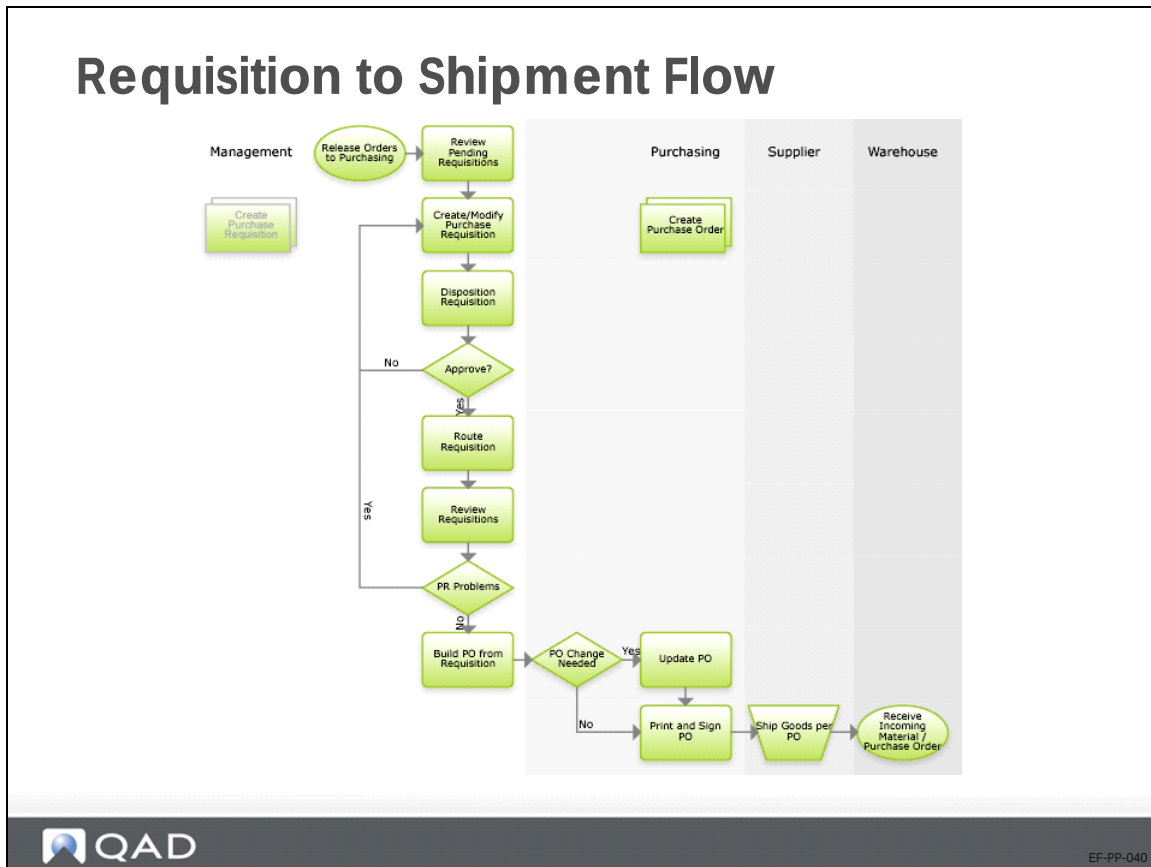


EF-PP-020

In this section, you will learn how purchase orders are processed in QAD Enterprise Financials.

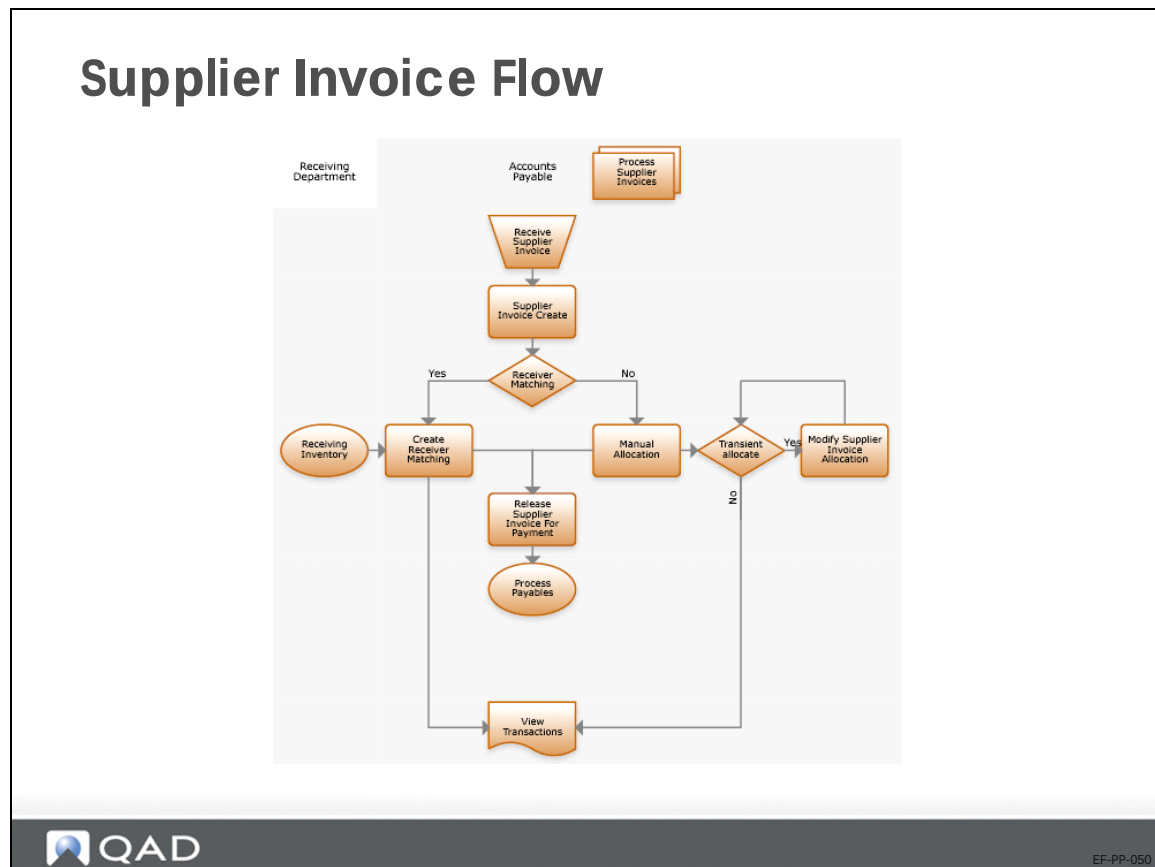
We will review different process flows for requisition to payment.

Requisition to Shipment Process Flow



The process maps display the purchasing process from purchase order requisition to purchase order receipts. Operational activities create unposted transactions that must be posted to Financials using Operational Transaction Post (25.13.7).

Supplier Invoice Process Flow

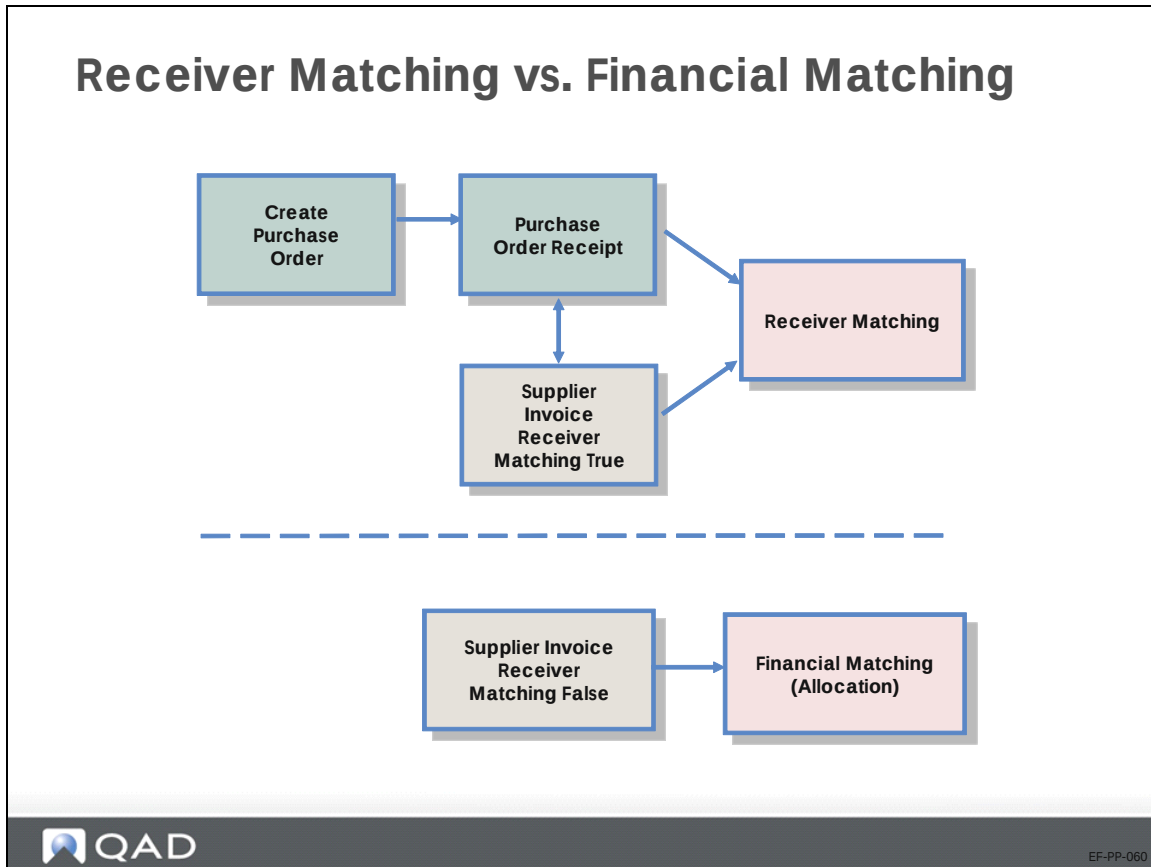


Before paying a supplier invoice, verify that the supplier invoice matches what was received by the receiving department and that the supplier has charged you the correct price. This process is called receiver matching. The Receiver Matching function ensures that amounts payable on invoices match the items received on purchase orders.

You can perform receiver matching during invoice creation, or later using manual allocation.

The various steps in the process are designated by different supplier invoice statuses.

Receiver Matching and Financial Matching

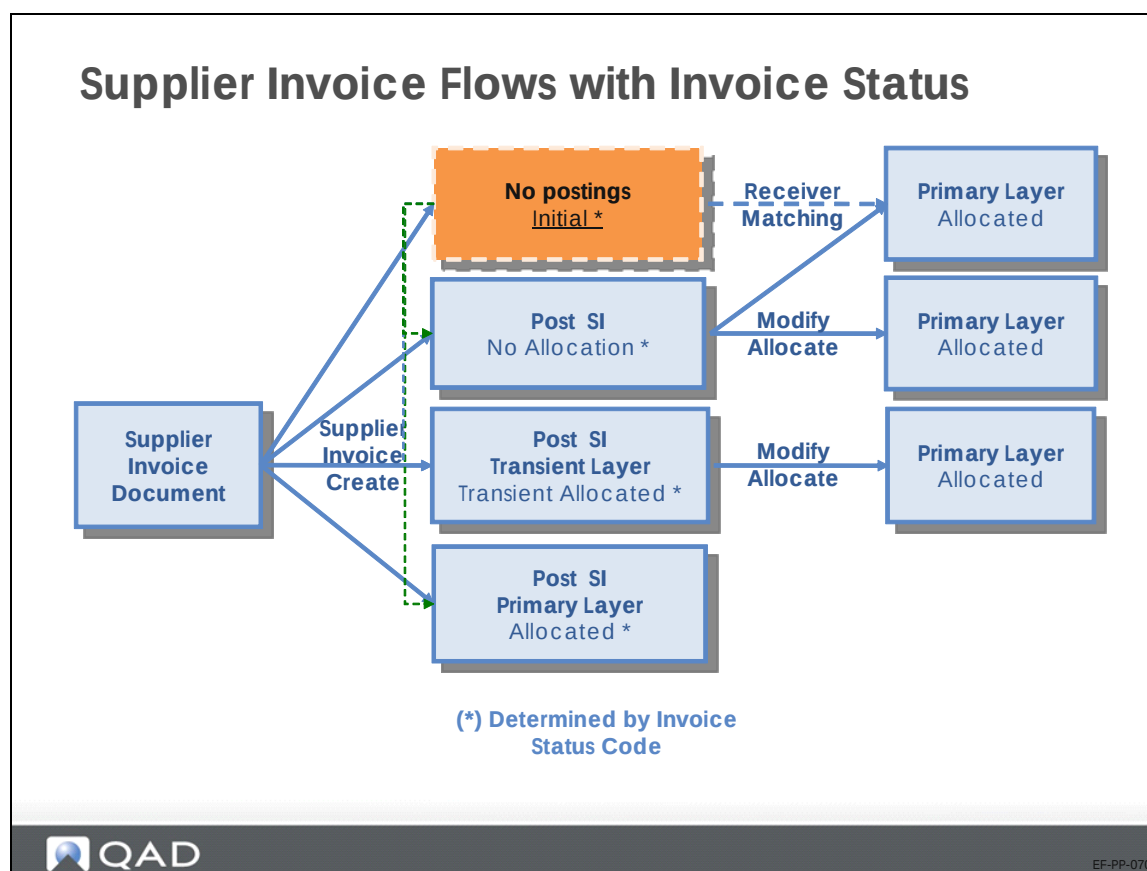


The system provides two types of matching for invoices: receiver matching or financial matching (allocation).

Receiver matching is the process of matching invoice amounts against original purchase order receipts.

Financial matching is used for payments, for products, or services that have not been processed through the purchasing cycle. The invoice amounts are not matched against purchase order amounts. Instead, they are posted to an Unmatched Invoices account, and then allocated directly to a cost account. These invoices are typically one-time payments to suppliers for occasional goods or services.

Supplier Invoice Flows with Invoice Status



Supplier invoice activities, with the exception of reversing and replacing, are controlled by the invoice status code associated with the invoice. The invoice status code and its attributes determine when the invoice is ready to be posted to the official layer of the AP sub-ledger. Postings depend on the approval and allocation status of the invoice status code.

The Initial status does not create any postings.

Transient layers can be used to allocate before approval. Once approved, allocation posting is moved to the primary (official) layer.

US Exercise: Purchasing Process

In this exercise, you will process a supplier invoice for goods received.

Unless otherwise stated, use entity 10USACO and accept default values.

- 1 Use Purchase Order Maintenance (5.7) to create two purchase orders.

PO 1

Field	Value
PO number	TEST-PO1
Supplier	10S1005
Ship-To	10-100
Site	10-100
Item	500 of 02002
Unit Cost:	0.50
Taxable:	No

PO 2

Field	Value
PO number	TEST-PO2
Supplier	10S1003
Ship-To	10-100
Site	10-100
Item	1 Memo item for \$250
Taxable:	No

- 2 Use Purchase Order Receipts (5.13.1) to receive both purchase orders completely.
- 3 Use Operational Transaction Post (25.13.7) to post the unposted transactions to the GL and verify the result in the GL using Journal Entry View (25.13.1.3).

Daybook: RCT-PO

Try changing the columns selected and the order of the columns to tailor the Journal Entry View (25.13.1.3) to your needs.

- 4 Use Supplier Invoice Create (28.1.1.1) to create a supplier invoice for the received materials.

Field	Value
Supplier:	10S1005
Reference:	INV1-PO1
Amount:	245 500 * 0.49 (price var. of 0.01)
Invoice Status Code:	999
PO Nr.	TEST-PO1
Daybook:	SINV (Defaults from daybook set)
Taxable:	No

- a** Review the other tabs, especially SI Posting and Matching Posting.
 - b** On the Matching Posting tab, experiment with adding and removing POs.
 - c** When you are finished experimenting, click the Matching button.
- 5** In the Receiver Matching Create window, match the receipt for TEST-PO1 with the invoice.

Field	Value
Status:	Finished
Order:	TEST-PO1
Qty Invoiced:	500
Price Invoiced:	0.49, introducing a 0.01 price variance

- 6** Create a supplier invoice using Supplier Invoice Create (28.1.1.1) for the received memo item.

Field	Value
Supplier:	10S1003
Reference:	INV-PO2
Amount:	\$250
Invoice Status Code:	999
PO Nr:	TEST-PO2
Daybook	SINV (defaults from the daybook set)
Taxable:	No

- a** Review the other tabs, especially SI Posting and Matching Posting.
 - b** On the Matching Posting tab, experiment with adding and removing POs.
 - c** When you are finished experimenting, click the Matching button.
- 7** Match the receipt for TEST-PO2 with the invoice.

Field	Value
Status:	Finished
Order:	TEST-PO2
Qty Invoiced:	1
Price Invoiced:	\$250

Change the cost account for the memo purchase to:

Account: 7800

CC: Sls

- 8 Use Supplier Invoice View (28.1.1.3) to review the invoices after the matching.
Try changing the columns selected and the order of the columns to tailor the view to your needs.
- 9 Use Journal Entry View (25.13.1.3) to review the GL postings created by the invoice and the matching.
Try changing the columns selected and the order of the columns to tailor the view to your needs.
Add the External Invoice Reference field to the grid. The external reference is INV-PO1.

EMEA Exercise: Purchasing Process

In this exercise, you will process a supplier invoice for goods received.

Unless otherwise stated, use entity 22UKCO and accept default values.

- 1 Use Purchase Order Maintenance (5.7) to create two purchase orders with the following data:

Field	Value
Purchase Order Number:	HO-PO1
Supplier:	22S1001 (Cheshire Packaging Products)
Ship-To:	22-100
Site:	22-200
Item:	1000 of 90031
Unit Cost:	0.40
Taxable:	Yes

The total PO amount including tax should be 470.00 GBP.

Field	Value
Purchase Order Number:	HO-PO2
Supplier:	22S1000 (Auto-Plas International)
Ship-To:	22-100
Site:	22-100
Item:	1 Memo item for 250 GBP
Taxable:	No

The total PO amount should be 250.00 GBP.

- 2 Use Purchase Order Receipts (5.13.1) to receive both purchase orders completely.
- 3 Use Operational Transaction Post (25.13.7) to post the unposted transactions to the GL and verify the result in the GL using Journal Entry View (25.13.1.3).
 - Daybook: Only select RCT-PO
 - Try changing the columns selected and the order of the columns to make the Journal Entry View (25.13.1.3) more useful for you.
- 4 Use Supplier Invoice Create (28.1.1.1) to create a supplier invoice for the received materials using the following data:

Field	Value
Supplier:	22S1001
Reference:	INV-PO1
Amount:	258.25 GBP
	1000 * 0.39 (price var. of 0.01) + 17.5% VAT
Invoice Status Code:	999
Purchase Order Number:	HO-PO1
Daybook:	SINV (defaults from the daybook set)

- a** Review the information in the other tabs, especially SI Posting and Matching Posting.
 - b** On the Matching Posting tab, experiment with adding and removing purchase orders.
 - c** When you are finished experimenting, click the Matching button.
- 5** In the Receiver Matching Create window, match the receipt for HO-PO1 with the invoice.

Field	Value
Status:	Finished
Order	HO-PO1
Qty Invoiced:	1000
Price Invoiced:	0.39 GBP

- 6** Use Supplier Invoice Create (28.1.1.1) to create a supplier invoice for the received memo item using the following data:

Field	Value
Supplier:	22S1000
Reference:	INV-PO2
Amount:	250 GBP (no taxes)
Invoice Status Code:	999
Purchase Order Number:	HO-PO2
Daybook:	SINV (defaults from the daybook set)

- a** Review the other tabs, especially SI Posting and Matching Posting.
- b** On the Matching Posting tab, experiment with adding and removing POs.
- c** When you are finished experimenting, click the Matching button.

Match the receipt for HO-PO2 with the invoice.

Field	Value
Status:	Finished
Order:	HO-PO2
Qty Invoiced:	1
Price Invoiced:	250 GBP

- 7** Use Supplier Invoice View (28.1.1.3) to review the invoices after the matching.

Try changing the columns selected and the order of the columns to tailor the view to your needs.

- 8 Use Journal Entry View (25.13.1.3) to review the GL postings created by the invoice and the matching.

Try changing the columns selected and the order of the columns to tailor the view to your needs.

Tip Add the External Invoice Reference field to the grid. The external reference is INV-PO1.

Chapter 11

AP Process

Overview

Overview

- Supplier invoice basic processing flow
- Alternative scenarios
 - “Initial” supplier invoice
 - Supplier invoice template
 - Credit note, invoice correction
 - Supplier invoice reversal, replacement
 - Tax updates
- Allocation and approval flows
- AP payments
 - Alternative flows
 - Prepayment processing
- AP reporting
 - Demo

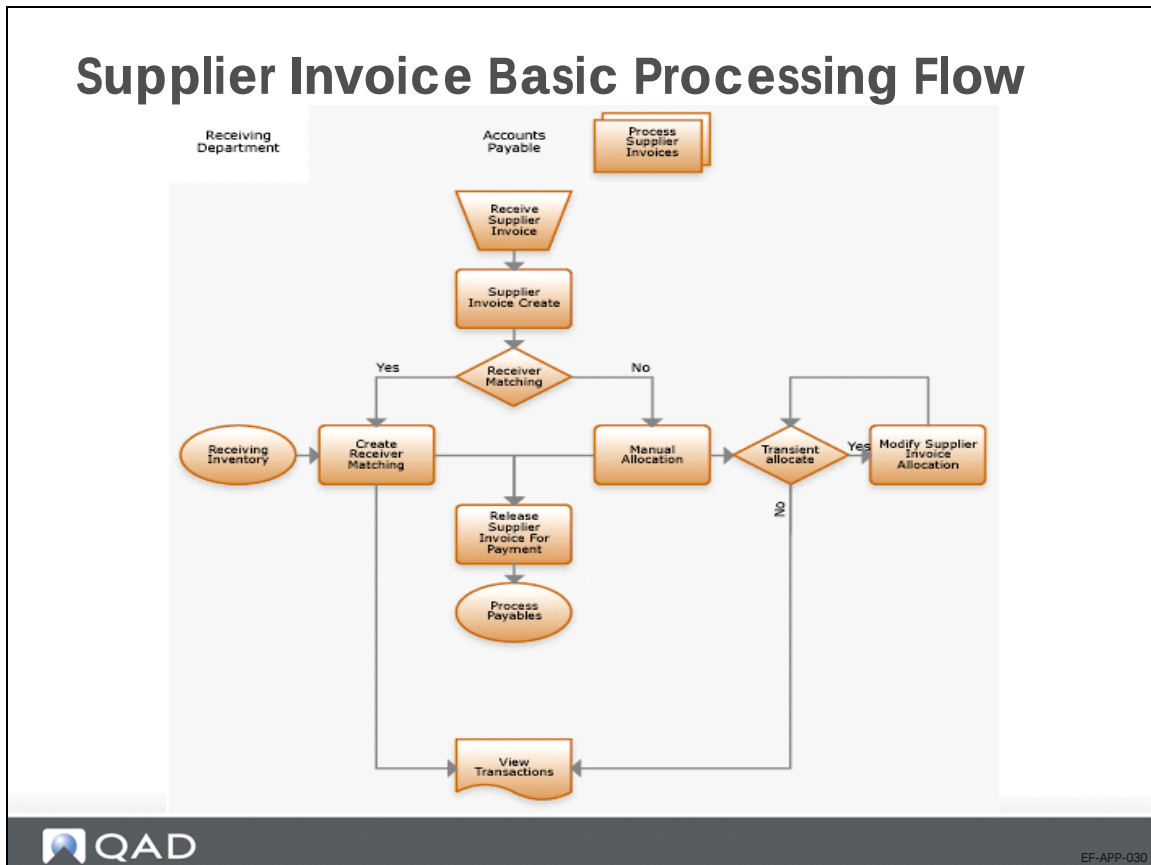


EF-APP-020

In this section, you will learn how supplier invoices and AP payments are processed in QAD Enterprise Applications. This includes several variants on the basic AP flow, and also the allocation and approval processes.

In the final section, you will review the available Accounts Payable reports.

Supplier Invoice Basic Processing Flow



Use the Supplier Invoice function (28.1.1) to create, view, modify, and delete supplier invoices and credit notes. You also use this function to:

- Create initial invoices to enter supplier documents immediately into the system.
- Match current invoices against original purchase order receipts.
- Prepare invoices for allocation and allocate the invoice.
- Approve invoices.
- Place invoices on payment hold or release invoices for payment that are currently on hold.
- Reverse incorrect invoices and their postings, and, optionally, replace these with new invoices.

Overview

- Supplier invoice basic processing flow ✓
- Alternative scenarios
 - “Initial” supplier invoice
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 - Alternative flows
 - Prepayment processing
- AP reporting
 - Demo

Supplier Invoice Scenarios

Supplier Invoice Scenarios

- “Initial” supplier invoice
- Supplier invoice template
- Supplier invoice corrections, credit notes
- Supplier invoice reversal, replacement
- Tax update in receiver matching



EF-APP-060

There are a number of alternative flows to the basic Supplier Invoice Create flow:

Initial Invoice

You can enter supplier invoice data as draft and update or validate it at a later stage.

Templates

Reuse postings for recurring supplier invoices.

Corrections

Use the correction functionality to reverse the posting sign instead of reversing the posting.

Reverse/Replace

To correct existing supplier invoices and matching postings.

Tax Update in Receiver Matching

To update accrued tax postings.

Initial Supplier Invoice

“Initial” Supplier Invoice

- Simple invoice registration using invoice status code
- Similar to unconfirmed vouchers in QAD Standard Edition
- Not included in balances or aging reports, and cannot be paid
- Clerk access can be limited to initial invoice registration.

The screenshot displays the QAD Accounts Payable menu on the right and the Initial Supplier Invoice form on the left. In the menu, 'Supplier Invoice Initial Create' is highlighted with a red box. In the form, the 'Initial Status' checkbox is checked and also highlighted with a red box.

Accounts Payable

- Supplier Invoice Menu
 - Supplier Invoice Maintenance
 - Supplier Invoice Create
 - Supplier Invoice Modify
 - Supplier Invoice View
 - Supplier Invoice Approve
 - Supplier Invoice Release for Payme
 - Supplier Invoice Prepare Allocation
 - Supplier Invoice Allocate
 - Supplier Invoice Browse Drafts
 - Supplier Invoice Delete
 - Supplier Invoice Initial Create**
 - Supplier Invoice Reverse
 - Supplier Invoice Replace

Initial Supplier Invoice Form:

- Invoice Status Code: imhinv2
- Description: imh initial status for RM
- Lock Payment: ☒
- Invoice Approved: ☐
- Allocation Status: No Allocation
- Initial Status: ☒**
- Receiver Matching: ☒
- Status After Match: imhap1
- Active: ☒

Record supplier invoices with a status of Initial. Initial invoices are locked for payment, and are unapproved and unallocated. In addition, initial invoices are not included in balances or aging reports, and cannot be paid.

You can use initial supplier invoices within an approval process in which certain roles (for example, junior clerks) are granted access to initial invoice registration only.

“Initial” Supplier Invoice

- Receivers can be matched against initial supplier invoices
- Initial invoices can be modified before posting

Matching Data

Date: 10/05/2008 Year/Pd: 2008 03 Daybook: QADCIREC 000000000

Invoice: 2008 QADAPInv 000000000 Invoice Type: Invoice

Reference: PO601 inv 1 Supplier Code: inh supp inh supp

Registration Number: 0000003625 Invoice Status Code: inhap1 Status: Finished

Pending Invoice Filter

Purchase Order Receipt | Purchase Order Shipper | Logistic Charge

Order: PO601

Transaction Date: To

External Reference: To

Internal Reference: To

Ship-To: To

Item Number: To

Buyer: Approved By

<<< Auto Select Recalculate Tax Rates Apply

Log Charge	Item	Logistic Charge	Open Quantity	Unit Price	TC Open Amt	Matched Quantity	Matched Unit Price	TC Matched Amount	Finished
	inhap1		10.00	10.00000	100.00	10.00	12.00000	120.00	✓

Tax Class: inh Tax Usage: inh Tax Env: inh

Matching Overview

<<< To Match: 110.00 Matched: 132.00 Difference: -22.00 USD

Manual Posting: **Update Invoice Amount** Save and Create Invoice Save and Create Save Close

Type: E Message Number: Qadfin5632 Severity: Normal Field: To Allocate Message: The total allocated transaction amount on the header (110) should equal the sum of allocated amounts on the underlying lines

You can modify initial invoices, including the amounts and postings, before posting to the primary (labelled “official”) accounting layer.

You can match receivers against initial invoices, but you cannot match payments.



EF-APP-080

Supplier Invoice Template

Supplier Invoice Template

- Matching postings can be saved as a template
 - Flag save as template
 - Enter template code
- Templates can be used by selecting a template code

GL Account	GL Description	Sub-Account C	Cost Ce	Description	Trans Curr	BC Debit (EUR)	BC Credit (EUR)
19500	Unapproved invoice	Mech		Templ1 S01200	EUR	0.00	1,186.44
76000	Purchases	Mech		Templ1 S01200	EUR	593.22	0.00
76000	Purchases	Elec		Templ1 S01200	EUR	593.22	0.00



EF-APP-090

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

Supplier Corrections/Credit Notes

Supplier Corrections, Credit Notes

- Same functionality as supplier invoice
- Optional *Linked to Invoice* functionality
 - Posting is reversed: CR becomes DR and visa versa
 - Only for credit notes
 - Adjustment daybook

Link to Invoice	0000	0	Adjustment	0



EF-APP-100

Link to Invoice. Only for credit notes. A credit note can have a one-to-one link to a supplier invoice. You can only select supplier invoices for the same supplier that have an open balance that is equal to or higher than the credit note amount. Linking applies an automatic adjustment (posting) to the supplier invoice and credit note with a posting date equal to the posting date of the credit note.

Adjustment. The daybook to use for a credit note/supplier invoice adjustment (see Link to Invoice field). The internal daybook must be SA (Supplier Adjustment); the sequential number is system generated.

Supplier Invoice Reverse/Replace

Supplier Invoice Reverse, Replace

- New options
- Reversal automatically matched to original invoice
- Correction of accounting functionality (optional)
- Operational update

Supplier Invoice Reverse

Go To Actions Tools Attach Print Preview

Attachments

Supplier Code: 22S1002 Organic Food Supply

Daybook Set Code: 22PURCH Site: 22-400

Posting: 2010/10/SINV/115

Invoice Date: 10/25/2010 Reference: P0101025-3

Description: P0101025-3 22S1002

TC Invoice Amount: 66.00 GBP

Reverse With: Credit Note

Year: 2010 10

Posting Date: 10/25/2010

Reverse Daybook: SCN 1

Adjustment Daybook: SUPADJ 1

Description: P0101025-3 22S1002

Create Replacement: ☒



EF-APP-110

- Options to reverse and, optionally, replace existing invoices
- Works with financial and receiver matching
- Reversal is automatically matched to original invoice
- Can use correction of accounting functionality
- Operational updates are reversed so that receiver matching can be corrected
- Option to copy original receiver matching details for replacement invoice (under development)

Tax Update in Receiver Matching

Tax Update in Receiver Matching

- Tax details in receiver matching
- Taxes can be recalculated:
 - Automatically
 - On demand
- Optional tax amount update

The screenshot shows the 'Supplier Invoice Control' window. In the top right, there is a 'Next Batch' field set to '1000'. Below it, several checkboxes are visible: 'Invoice Open Qty/Amt' (checked), 'Use Expensed Item Var Accts' (checked), 'Recalculate Tax Rates' (checked and highlighted with a red box), and 'Hold Variance Amount' (unchecked). The main window displays 'Matching Data' for a date of 03/26/2008, with various fields for Invoice, Reference, and Registration Number. Below this is a 'Pending Invoice Filter' section with tabs for 'Purchase Order Receipt', 'Purchase Order Shipper', and 'Logistic Charge'. The 'Purchase Order Receipt' tab is active, showing a table with columns for Order, Transaction Date, External Reference, Internal Reference, Ship-To, Item Number, Buyer, and Approved By. At the bottom, there is a table with columns for Sel, Log Charge, Item, Logistic Charge, Open Quantity, Unit Price, TC Open Amt, Matched Quantity, and Matched Unit Price. The table contains one row with values: Sel (checked), Log Charge (checked), Item (inhap1), Logistic Charge (10.00), Open Quantity (10.00000), Unit Price (100.00), TC Open Amt (10.00), Matched Quantity (10.00), and Matched Unit Price (10.00000). Below this table is a section for 'Tax Code' and 'TC Tax Base', with values: Tax Code (inhap1b), TC Tax Base (100.00), and TC Tax (10.00). At the bottom right, there are checkboxes for 'Accrue at Receipt or Usage' (checked), 'Discount Tax at Invoice' (checked), 'Absorbed or Retained Tax' (checked), and 'Update Tax Allowed' (checked).



EF-APP-120

Tax details are stored in Receiver Matching.

You can edit tax amounts, depending on settings for the tax rate concerned.

Tax Update in Receiver Matching

- Taxes accrued at receipt and non-recoverable taxes
- Tax updates automatically posted

Attachments

Supplier Code: imhsupp Supplier: ian's test supplier Reference: P0600

Posting: 2008 / 3 / QADAPInv / 339 Posting Date: 03/26/2008 TC Invoice Amount: 126.00 USD

General Addresses Financial Info Tax SI Posting Matching Posting

Year: 2008 03 Posting Date: 03/26/2008

Daybook Code: QADCIREC 000000856 Layer Type: OFFICIAL Save As Template: ☐

Description: AP Matching: 2008/03/QADCIREC Template Code:

GL Account	Sub-Account C	Cost Ce	Description	Curr	BC Debit (USD)	BC Credit (USD)
2205			AP Matching: 2008/	USD	110.00	0.00
5020			AP Matching: 2008/	USD	20.00	0.00
p- 1400			AP Matching: 2008/	USD	6.00	0.00
p- 1400			AP Matching: 2008/	USD	0.00	10.00
SIREC			AP Matching: 2008/	USD	0.00	126.00



EF-APP-130

The system provides advanced functionality to accrue taxes at receipt, and to handle non-recoverable taxes.

Changes to tax amounts can be done automatically without the need for manual posting.

Corrections to taxes are automatically made in the matching postings.

Overview

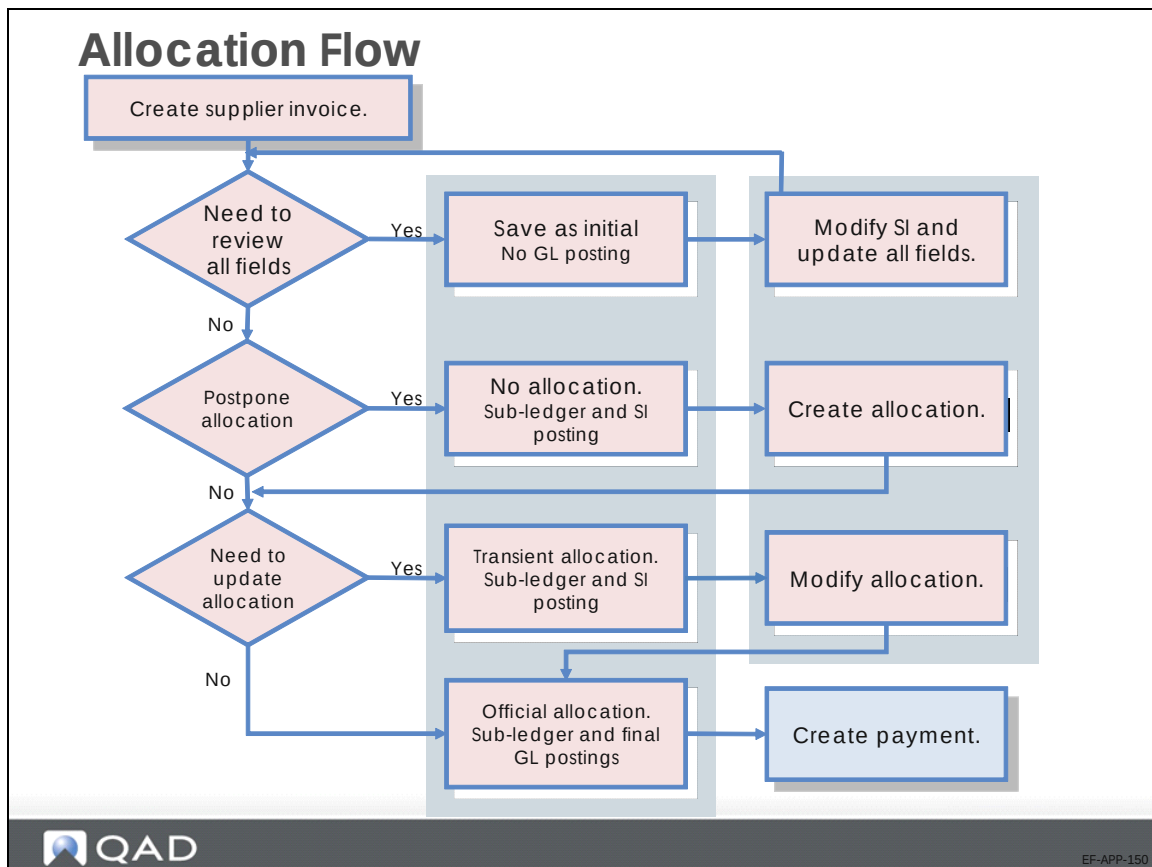
- Supplier invoice basic processing flow ✓
- Alternative scenarios ✓
 - “Initial” supplier invoice
 - Supplier invoice template
 - Credit note, invoice correction
 - Supplier invoice reversal, replacement
 - Tax updates
- Allocation and approval flows
- AP payments
 - Alternative flows
 - Prepayment processing
- AP reporting
 - Demo



EF-APP-140

You will now review the allocation and approval process flows.

Allocation Flow



The Supplier Invoice Activities (28.1.1) let you select invoices to update based on their status code and move the invoices through a workflow cycle. You change the status of the invoices by selecting a different invoice status code.

You can control two aspects of supplier invoicing using invoice status codes:

- Allocation of the invoice amount to accounts. This determines the postings generated and which layer is updated.
- Approval of the invoice and release for payment. This process can be completed in one or two stages. The approval process places contested invoices on hold and then releases them.

Supplier Invoice Allocation and Approval: Alternative Flows

Supplier Invoice Allocation & Approval: Alternative Flows

- Allocated, Approved, Released for payment
 - Invoice status code
- Not Allocated, Not Approved, Blocked for payment, Allocate, Approve, Release for payment
 - Invoice status code, matching tab
- Allocation to transient layer, transfer to primary layer
 - Invoice status code, Matching tab
- Credit note, invoice correction



EF-APP-160

Flow 1: Allocated – Approved – Released for Payment

In the General tab of Supplier Invoice Create (28.1.1.1), the status code must be:

- Allocated
- Approved
- Released for payment

In the Matching Posting tab of Supplier Invoice Create (28.1.1.1), the Matching Daybook is linked to the primary layer.

Flow 2: Not Allocated – Not Approved – Locked for payment – Allocate – Approve – Release for Payment

In the General tab of Supplier Invoice Create (28.1.1.1), the status code must be:

- Not allocated
- Not approved
- Blocked for payment

The Matching Posting tab of Supplier Invoice Create is disabled.

A second transaction is needed to approve, transfer, and release the invoice for payment.

You allocate the invoice using Supplier Invoice Modify (28.1.1.2).

In the General tab, change the invoice status code:

- Allocated
- Approved
- Released for Payment

In the Matching Posting tab, the Matching daybook is linked to the primary layer (Allocation).

Flow 3: Allocation to Transient Layer – Transfer to Primary (labelled “official”) Layer

In the General tab of Supplier Invoice Create (28.1.1.1), the invoice status code must be:

- Transient allocation
- Approved
- Released for payment

In the Matching Posting tab, link the Matching daybook to the transient layer.

Overview

- Supplier invoice basic processing flow ✓
- Alternative scenarios ✓
 - “Initial” supplier invoice
 - Supplier invoice template
 - Credit note, invoice correction
 - Supplier invoice reversal, replacement
 - Tax updates
- Allocation & approval flows ✓
- AP payments
 - Alternative flows
 - Prepayment processing
- AP reporting
 - Demo



EF-APP-180

A second transaction run is needed to transfer the allocation from transient to primary layer

In the General tab of Supplier Invoice Modify (28.1.1.2), change the status to Allocated.

In the Matching tab, change the Matching daybook to one linked to the primary (labelled “official”) layer.

US Exercise: 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.

Unless otherwise stated, use entity 10USACO and accept default values.

- 1 Use Purchase Order Maintenance (5.7) to create a purchase order.

Field	Value
PO Number	PO1-R
Supplier:	10S1005
Ship-To:	10-100
Site:	10-100
Item:	500 of 02002
Unit Price:	0.50
Taxable:	No

- 2 Use Purchase Order Receipts (5.13.1) to receive the purchase order completely.

- 3 Use Supplier Invoice Create (28.1.1.1) to create a supplier invoice for the received materials.

Field	Value
Supplier:	10S1005
Reference:	PO1-R
Amount:	\$245 500 * 0.49 (price var. of 0.01)
Invoice Status Code:	999
PO Nr.:	PO1-R
Daybook:	SINV (defaults from the daybook set)
Taxable:	No

- a Review the other tabs, especially SI Posting and Matching Posting.
 - b On the Matching Posting tab, experiment with adding and removing POs.
 - c When you are finished experimenting, click the Matching button.
- 4 Use Receiver Matching Create to match the receipt for PO1-R with the invoice.

Field	Value
Status:	Finished
Order:	PO1-R
Qty Invoiced:	500
Price Invoiced:	\$0.49 introducing a 0.01 price variance

- 5 Use Supplier Invoice Reverse (28.1.1.11) to reverse and replace the invoice created in (3). Change the amount in the replacement supplier invoice to \$250 USD.
- 6 Use Supplier Invoice View (28.1.1.3) to review the GL postings created by the matching for the original, reversed, and replaced invoices.

EMEA Exercise: Purchasing—Alternative Flows

In this exercise, you will:

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

Unless otherwise stated, use entity 10UKCO and accept default values.

- 1 Use Purchase Order Maintenance (5.7) to create a purchase order.

Field	Value
PO:	PO1-R
Supplier:	22S1001 (Cheshire Packaging Products)
Ship-To:	22-100
Site:	22-200
Item:	1000 of 90031
Unit Cost:	0.40
Taxable:	Yes

- 2 Use Purchase Order Receipts (5.13.1) to receive the purchase order completely.
- 3 Use Supplier Invoice Create (28.1.1.1) to create a supplier invoice for the received materials.

Field	Value
Supplier:	22S1001 (Cheshire Packaging Products)
Reference:	PO1-R
Amount:	458.25 GBP 1000 * 0.39 (price var. of 0.01) + Tax at 17.5%
Invoice Status Code:	999
PO Nr.:	PO1-R
Daybook:	SINV (defaults from the daybook set)

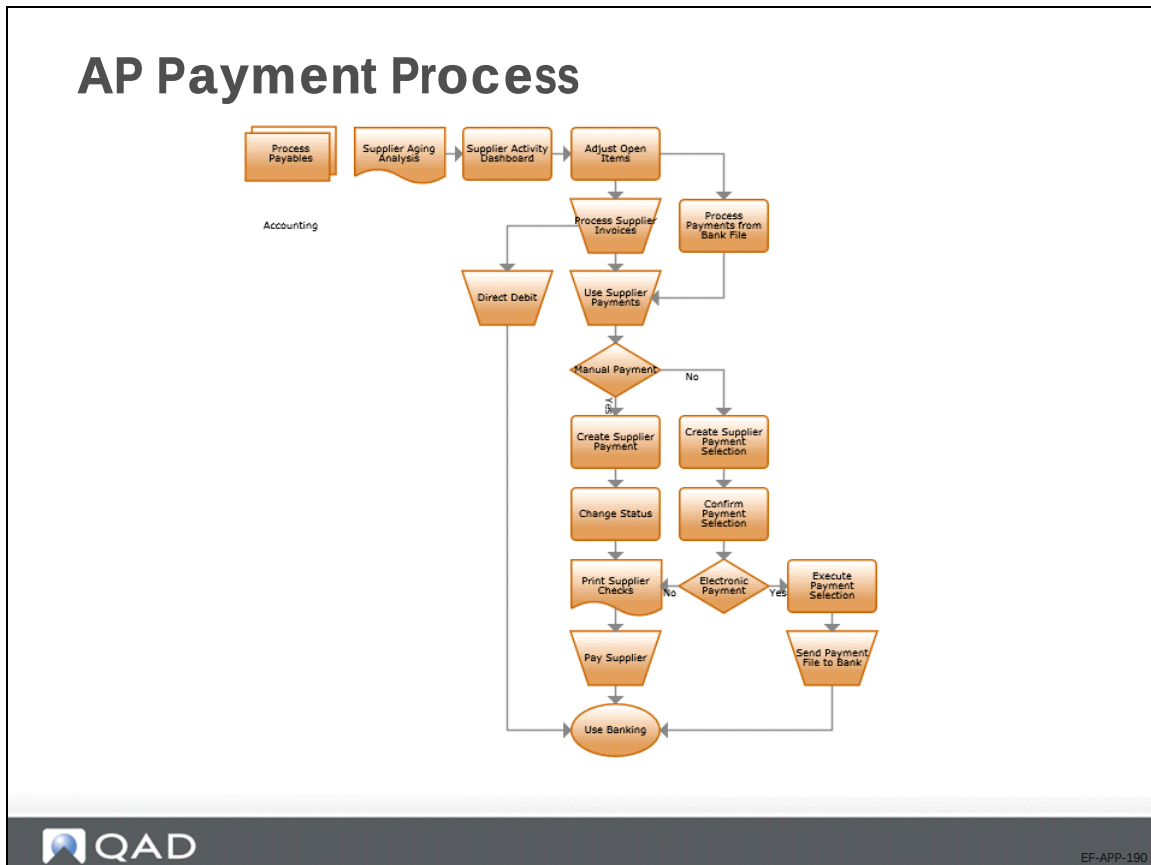
- a Review the other tabs, especially SI Posting and Matching Posting.
 - b On the Matching Posting tab, experiment with adding and removing POs.
 - c When you are finished experimenting, click the Matching button.
- 4 Use the Matching button to match the receipt for PO1-R with the invoice.

Field	Value
Status:	Finished
Order:	PO1-R
Qty Invoiced:	1000
Price Invoiced:	0.39 GBP, introducing a 0.01 price variance

- 5 Go to menu Supplier Invoice Reverse (28.1.1.11) and reverse and replace the invoice created in (3) and change the amount in the replacement supplier invoice to 470 GBP.
- 6 Click Yes.
- 7 In Supplier Invoice Replace, change the TC invoice amount from 458.25 to 470, click Yes and then click on the Matching button.
The system displays a message asking whether you want to create a replaced receiver matching based on the original matching.
- 8 Click No and enter the purchase order number PO1-R in the Order grid and click Search to retrieve matching POs.
- 9 Scroll down to the bottom of the screen and click Save.
- 10 Use Supplier Invoice View (28.1.1.3) to review the GL postings created by the matching for the original, reversed, and replaced invoices.

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

AP Payment Process



The AP payment functions automate the payment process. The supplier payment functionality in QAD Enterprise Financials process paper and electronic payments through an approval cycle, with each stage generating its own posting. Create and transfer payments in electronic format to your bank, with each payment file formatted according to their requirements. Configure bank account information and payment format defaults for each supplier, these defaults are automatically used in every payment to that supplier.

AP Payments Instruments

AP Payments

- Electronic Transfer
 - Execute payment selection
 - Uses EDI tools
- Check Payment
 - Use Supplier Check Print
 - With PIP account (more control)
 - Without PIP account
- Other Payment Instruments

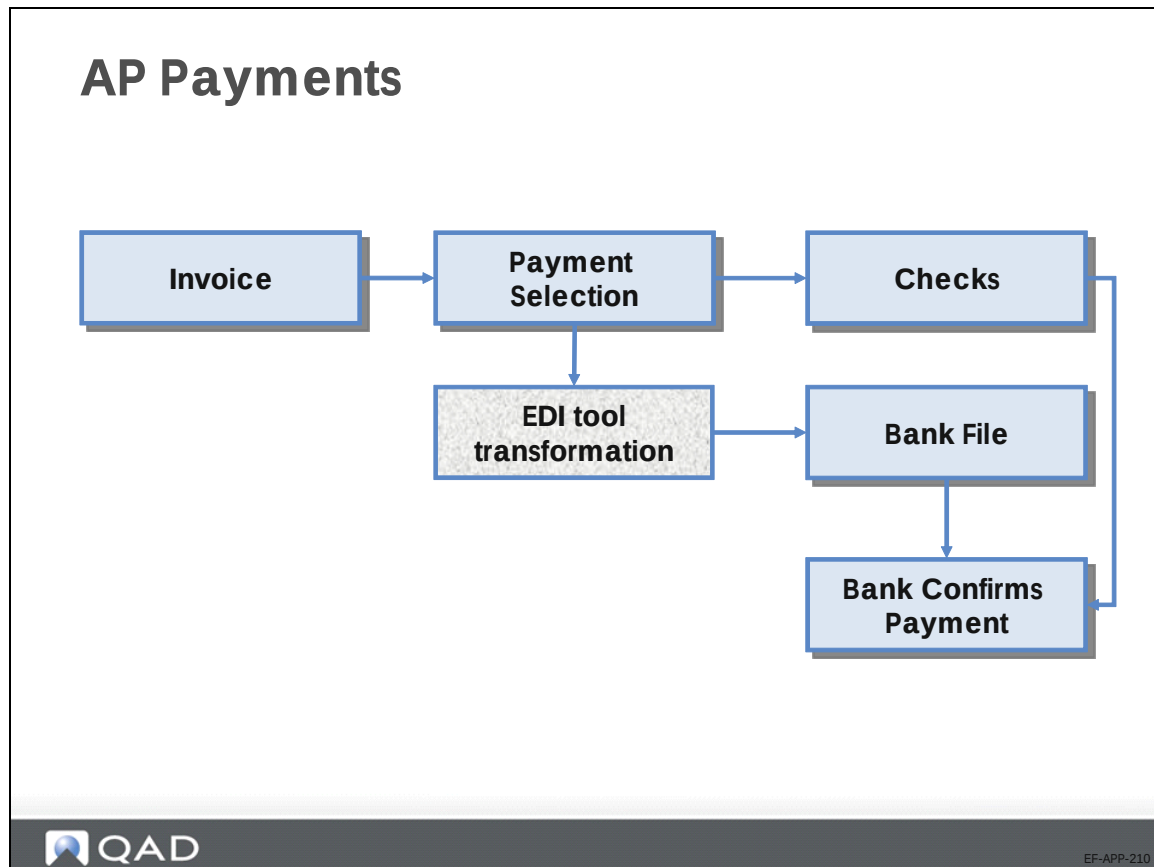


EF-APP-200

Process supplier payments in the same way as customer payments. AR payments, manual AP payments of paper based documents are completed using Supplier Payment Create (28.9.3.1).

Electronic AP payments consisting of electronic files to be transferred to your bank are completed using Supplier Payment Selection Create (28.9.4.1).

AP Payment Flow



Supplier payments are associated with status codes, that are used to manage the payment process through final collection and updating of accounts. Process the payment by changing the payment status from one status to the next in the sequence that meets your business requirements. Different payment instruments follow different status sequences. The number of statuses needed depend on your particular implementation. At a minimum, there must be two statuses: Paid and Void. Typically, you will want to have a For Collection status for payments sent to the bank. The Initial status is used if you want to do an initial payment registration.

Using Supplier Payment Status Create (28.9.1.1.1) to set up payment statuses for each stage in the payment sequence, and move the payment from one status to the next by changing its status. Each status change generates a posting that updates the accounts you defined. The default accounts used in supplier payments are the supplier payment and supplier control accounts.

The setup procedure for supplier payments is the similar to that for customer payments, and includes:

- Define bank accounts and payment formats. Define as many payment formats as you have different types of supplier payments. The system retrieves your bank account details and the formats required for payments from the account information you define on the Banking tab of the supplier record.
- Define Supplier Payment accounts to associate with payment statuses.
- Define a Supplier Payments daybook to contain the postings generated by the status transitions.

- Create a set of payment statuses to match the stages through which you want to process the payment.
- Define payment groups for managing the selection process.
- Create a supplier payment.

Supplier Payment Groups

Supplier Payment Groups

- Use in Supplier Payment Selection Create

The screenshot shows a software window titled "Supplier Payment Group Create". The window has a menu bar with "Go To", "Actions", "Tools", "Attach", "Print", and "Preview". Below the menu bar is a section labeled "Attachments". The main area of the window contains three fields: "Payment Group" with the value "Priority", "Description" with the value "Select for Priority Payment", and "Active" with a checked checkbox.



EF-APP-215

Use Supplier Payment Group activities (28.9.1) to create, modify, view, and delete codes for grouping payments. Select payments for processing by payment group code in Supplier Payment Selection Create (28.9.4.1).

AP Checks**Payment Scenarios: Checks**

- Bank entry only
- Create check, post directly to bank
- Create check, post to PIP account, change status to post to bank
- Create check, post to PIP, use bank entry

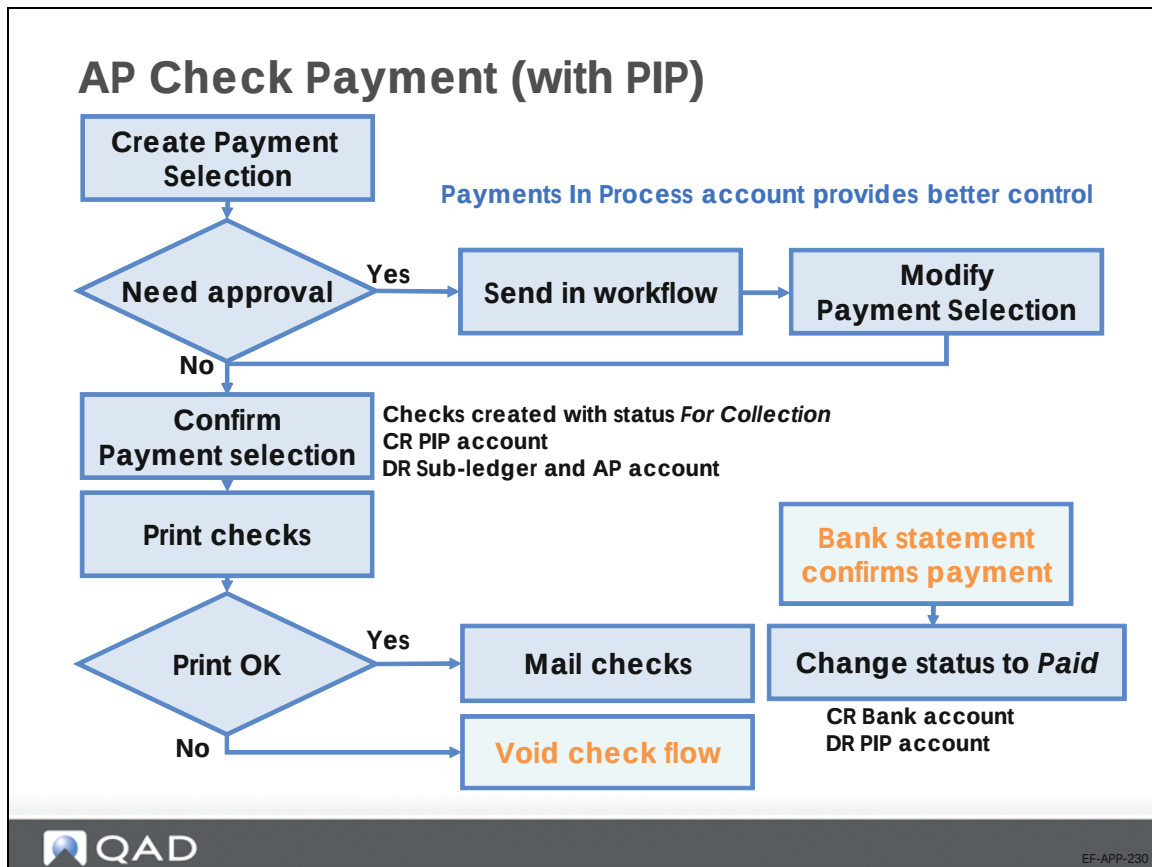


EF-APP-220

Supplier check payments can be handled in different ways:

- Direct treatment in the banking function (without a check input in the system)
- Direct posting to bank GL account, using a PIP (Payment in Process) account for easy reconciliation, with or without allocation using the banking function.

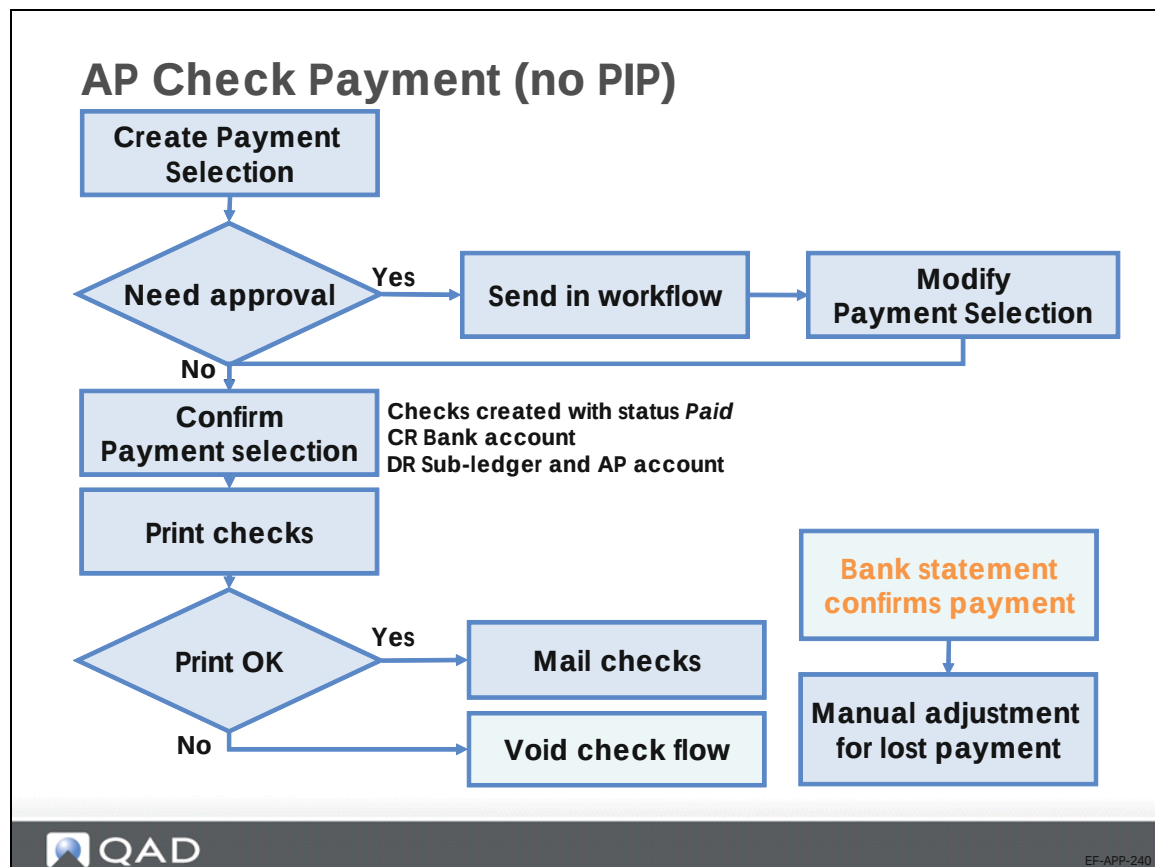
AP Check Payment (with PIP)



Create, approve, and confirm the supplier payment selection.

Print the supplier checks and send them to your suppliers

AP Check Payment (no PIP)



Indicate in the Confirm step that posting should be done directly to the bank GL account.

AP Electronic Transfer**Payment Scenario: Electronic Transfer**

1. Create payment selection
2. Confirm payment selection (PIP account)
3. Execute payment selection (electronic file)
4. Banking entry (bank)

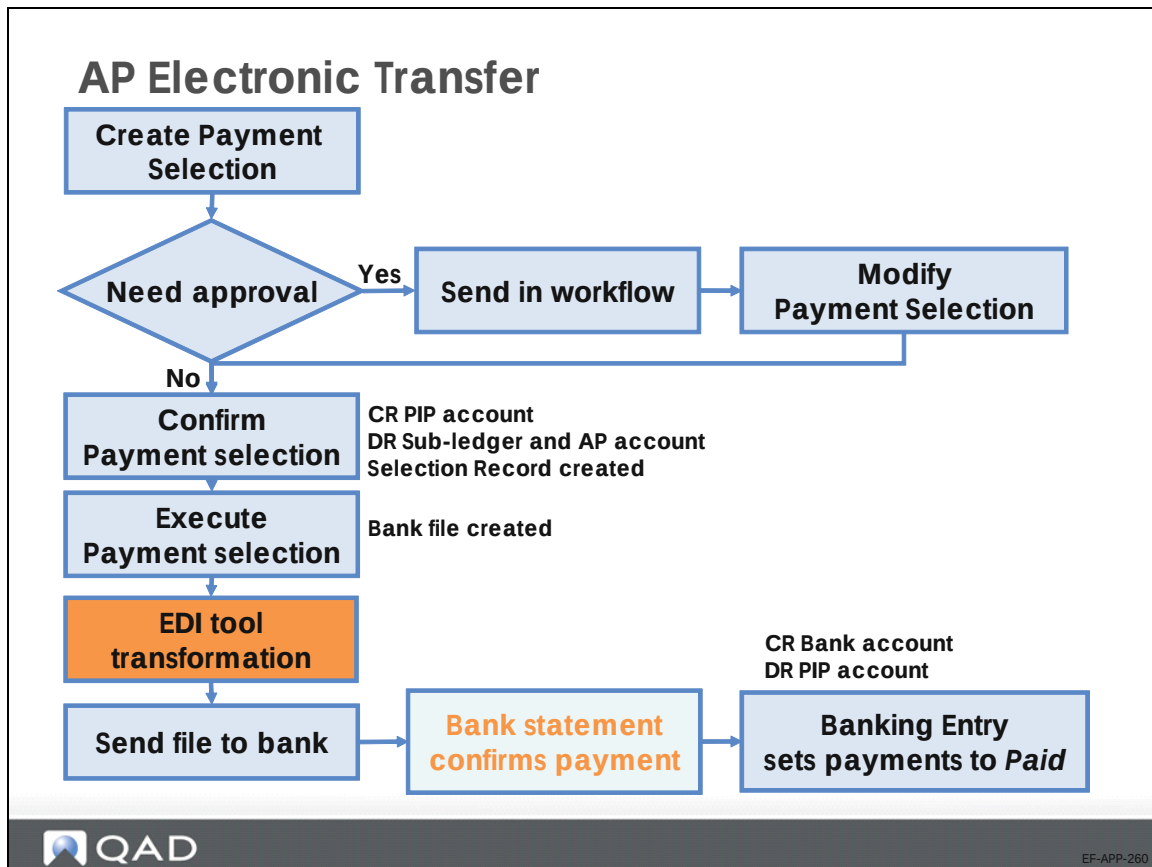


EF-APP-250

Create, confirm, and execute the electronic payment selection.

- Use Supplier Payment Selection Execute (28.9.4.6) to create the electronic payment file.
- Use Supplier Payment Selection Re-Execute (28.9.4.7) to recreate this file, if needed.

AP Electronic Transfer Process Flow



The use of a PIP account is mandatory in this process.

Other AP Payment Instruments

Other Payment Instruments

- Drafts
 - Similar to checks
- Paper transfers
 - Similar to electronic transfer
- Promissory notes, Summary statements
 - Similar to checks and drafts
- Cash
 - Processed directly in Bank, Cash entry



EF-APP-270

The system has a number of predefined payment instruments other than check or electronic payment:

Draft

The draft or bill of exchange is a negotiable security signed and dated by its issuer (the bank). It contains an unconditional order or instruction to pay a fixed amount to the supplier on the agreed due date. Once signed, the draft is considered a collection instrument. Its form, content, and legal consequences are governed by law.

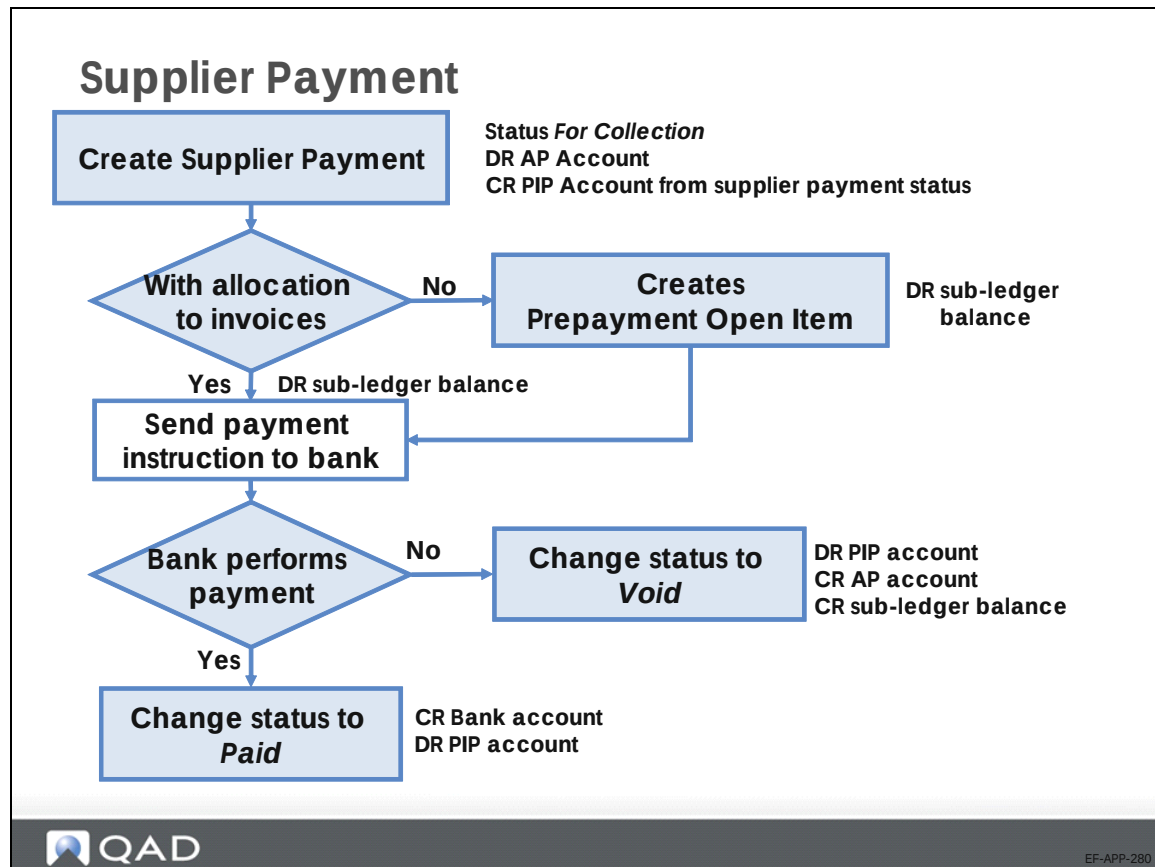
Paper Transfer

The transfer payment instrument is an order for payment that you submit to your bank. The bank ensures that the amount is transferred to the supplier's bank account. Transfers are in paper format.

Promissory Notes

The promissory note is a promise to pay the supplier, instead of an unconditional payment order. The promissory note carries more risk for the beneficiary and has fewer legal consequences for the issuer if payment is defaulted summary statements: You send summary statements to the supplier. Factoring companies and banks that provide credit card services use summary statements.

Supplier Prepayment



Process Flow

The supplier payment functionality is also used to create prepayments.

Prepayment using Bank

Prepayment via Bank

- Prepayment open item created at bank statement entry
 - Debits sub ledger balance
 - No Payment Instrument record created
- Posting
 - DR AP account
 - CR Bank account



EF-APP-290

You can also create prepayments directly during Banking Entry Create (31.1.1).

When creating a new prepayment in Supplier Payment Selection Create, you can enter a reference for the prepayment in the Reference field.

The Reference field is only editable when creating new prepayments. It distinguishes between prepayments if the same supplier has several prepayments relating to different orders.

Prepayment Reconciliation

- Open Item Adjustment
 - If prepayment is for specific invoices
- Use with subsequent Payment
 - Open item can be subtracted from invoices during a subsequent payment run

Overview

- Supplier invoice basic processing flow ✓
- Alternative scenarios ✓
 - “Initial” supplier invoice
 - Supplier invoice template
 - Credit note, invoice correction
 - Supplier invoice reversal, replacement
 - Tax updates
- Allocation & approval flows ✓
- AP payments ✓
 - Alternative flows
 - Prepayment processing
- AP reporting
 - Demo



EF-APP-320

Review the Accounts Payable reporting options.

US Exercise: AP Payment—Prepayment

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

Unless otherwise stated, use 10USACO and accept default values.

- 1 Create the following invoice using Supplier Invoice Create (28.1.1.1).

Field	Value
Supplier:	10S1005 (Absolute Electronics Company)
Reference:	AEC-1
Amount:	\$1000.00 USD
Invoice Status Code:	OK2PAY
Daybook:	SINV (defaults from the daybook set)
Taxable:	No

- 2 Create a supplier payment using Supplier Payment Create (28.9.3.1).

Field	Value
Payment Type:	Check
Status:	For Collection
Supplier:	10S1005
Reference:	Prepayment AEC-1
Amount:	\$1500.00 USD

- a Allocate the payment fully to invoice AEC-1.
 - b Create the prepayment for \$500.00 USD with the description “prepayment-1 AEC.”
- 3 Use Supplier Invoice View (28.1.1.3) to see the effect of this payment on the supplier sub-ledger for 10S1005.
 - 4 Use Supplier Payment View (28.9.3.3) to review the payment created.
 - 5 Use Journal Entry View (25.13.1.3) to review the GL postings created by Supplier Payment Create (28.9.3.1).
Use daybook APPAY.

AP Payment Selection

In this exercise, you will:

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

- 1 In Supplier Payment Selection Create (28.9.4.1), create the following payment selection:

Field	Value
Selection Code:	PaySel1
Bank GL Account:	1100

Field	Value
Payment Format:	CHECK-AP
Own Bank Number:	55667342

- 2 Use the Search and Clear buttons to experiment with various selection criteria.
Finally, select the following invoices:
 - Supplier 10S1004 (Sungro Chemicals)
 - Invoice with external number PO121004
 - Supplier 10S1006 (Hampton Electronics)
 - Invoice with external number PO121006
- 3 Use Supplier Payment Selection Confirm (28.9.4.5) to post payment selection PaySel1.
Use PIP account.
- 4 Use Supplier Payment Selection View (28.9.4.3) to review the payment records (instruments) created by the posting.
- 5 In Supplier Invoice View (28.1.1.3), review the effect of this payment posting on the selected invoices.
Try changing the columns selected and the order of the columns to tailor the view to your needs.
- 6 In Journal Entry View (25.13.1.3), view the Journal Entry created by this payment registration.
Try changing the columns selected and the order of the columns to tailor the view to your needs.
- 7 Use Supplier Check Print (28.9.9.3) to print the checks for the payment selection.

EMEA Exercise: AP Payment—Prepayment

In this exercise, you will:

- Create and process an individual supplier payment.
- Create and process supplier prepayments.

Unless otherwise stated, use entity 22UKCO and accept default values.

- 1 Create a supplier invoice for travel expenses.

Field	Value
Supplier:	22S1001, Cheshire Packaging Products
Reference:	PT0707
Amount:	1100.00 GBP
Invoice Status Code:	OK2PAY (approved, allocated, free to pay, no receiver matching)
Daybook:	SINV (defaults from the daybook set)
Taxable:	No
Cost Center:	Adm

2 Create a supplier payment using Supplier Payment Create (28.9.3.1).

Field	Value
Payment Type:	Check
Status:	For Collection
Supplier:	22S1001
Reference:	Urgent Payment PT0707
Amount:	1500 GBP

a Allocate the payment fully to invoice PT0707.

b Create a prepayment for 400 GBP with the description “Prepayment PT0808.”

3 Use Supplier Invoice View (28.1.1.3) to see the effect of this payment on the supplier sub-ledger for 22S1001.**4** Use Supplier Payment View (28.9.3.3) to review the payment created.**5** Use Journal Entry View (25.13.1.3) to review the GL postings created by Supplier Payment Create (28.9.3.1).

Use daybook APPAY.

AP Payment—Electronic

In this exercise, you will:

- Create, modify, confirm, and execute AP payment selections (electronic transfer).
- Register the payment in the bank.

Unless otherwise stated, use entity 22UKCO and accept default values.

1 In Supplier Payment Status Create, create the following payment statuses for the payment instrument Electronic Transfer:

Field	Status 1	Status 2	Status 3
Status	Initial	For Collection	Paid
Bank Account Code	1120	1120	1120
Daybook Code		APPAY	APPAY
GL Account		2080	2080
Default Value Days	0	0	0

2 Use Supplier Payment Selection (28.9.4.1) to create a supplier payment selection.

Code: PAYMENT-1

GL Account: 1120

Own Bank Number: UK5564999

Use the Search and Clear buttons to experiment with various selection criteria.

Finally, select the following invoices:

- Supplier 22S1000 (Auto-Plas International)
 - External number PS H01

- Supplier 22S1001 (Cheshire Packaging Products)
 - External number PS H02
 - External number PS H03
- 3 Use Payment Selection Modify (28.9.4.2) to modify PAYMENT-1. Remove the following invoice from the selection:
Supplier: 22S1001
External Number: PS H02
- 4 Use Supplier Payment Selection Confirm (28.9.4.5) to post payment selection PAYMENT-1. Use PIP account.
- 5 Use Supplier Payment Selection View (28.9.4.3) to review the payment records (instruments) created by the posting.
- 6 In Supplier Invoice View (28.1.1.3), review the effect of this payment posting on the selected invoices.

Try changing the columns selected and the order of the columns to tailor the view to your needs.
- 7 In Journal Entry View (25.13.1.3), view the Journal Entry created by this payment registration.

Try changing the columns selected and the order of the columns to tailor the view to your needs.
- 8 Using Supplier Payment Selection Execute (28.9.4.6), create the electronic payment file.
- 9 Enter the payment selection code PAYMENT-1 in Banking Entry Create (31.1.1).

Field	Value
GL Account:	1120
Bank Statement Year/NR:	2010, accept default statement number
Line:	(automatic)
Description:	Payment PAYMENT-1
Amount:	12,000 GBP OUT

Allocate to payment selection PAYMENT-1.

- 10 Use Supplier Invoice View (28.1.1.3) to see the effect of this on the supplier sub-ledger.

Try changing the columns selected and the order of the columns to tailor the view to your needs.
- 11 Use Journal Entry View (25.13.1.3) to review the postings created by the allocation.

Try changing the columns selected and the order of the columns to tailor the view to your needs.
- 12 Use Supplier Payment View (28.9.3.3) to review the effect of the allocation on the payment records (instruments).

AP Reporting

AP Reporting

- Supplier Activity Dashboard
- Supplier Open Item Extended Report
- Supplier Aging Analysis current
- Other reports



EF-APP-330

The most commonly used reports in Accounts Payable are:

- Supplier Activity Dashboard (28.18.1)
- Supplier Open Item Extended Report (28.17.5 or Basic Report 28.17.4)
- Supplier Aging Analysis Current (28.17.9)
- There are a wide range of AP reports, which are customizable to suit your reporting needs.

Supplier Activity Dashboard

AP Reporting

- Supplier Activity Dashboard
 - Activity
 - Invoices & movements
 - Invoices
 - Payments

The screenshot shows the 'Supplier Activity Dashboard' window. The 'Activity' tab is selected and highlighted with a red box. The dashboard displays a table of activity for the supplier 'Heron Surgical Supply' (Supplier Code: 10S1003, Entity: 10CORPCONS). The table includes columns for Invoice Number, Invoice Date, Reference, Due Date, Discount Due Date, Open status, Currency, and TC Open Amount. The data shows three invoices: 2010/SINV/000000 dated 08/13/2010 (Reference: PO081003, Due Date: 10/12/2010, Open: checked, Currency: USD, Amount: 812.50), 2010/SINV/000000 dated 09/13/2010 (Reference: PO091003, Due Date: 11/12/2010, Open: checked, Currency: USD, Amount: 1,625.00), and 2010/SINV/000000 dated 11/01/2010 (Reference: PO1111, Due Date: 12/31/2010, Open: checked, Currency: USD, Amount: 1,000.00).

Invoice Number	Invoice Date	Reference	Due Date	Discount Due Date	Open	Curr	TC Open Amount
2010/SINV/000000	08/13/2010	PO081003	10/12/2010	08/13/2010	✓	USD	812.50
2010/SINV/000000	09/13/2010	PO091003	11/12/2010	09/13/2010	✓	USD	1,625.00
2010/SINV/000000	11/01/2010	PO1111	12/31/2010	11/01/2010	✓	USD	1,000.00



EF-APP-340

Supplier Activity Dashboard (28.18.1) offers a comprehensive overview of all activity related to a single supplier, in a single entity or over multiple entities. The drill-down generates read-only information that includes invoices, credit notes, and payments.

Supplier Open Item Extended Report

AP Reporting

- Supplier Open Item Extended Report

QAD		Supplier Open Item Extended Report						USA DIVISION Page 1 / 1	
Year/GL Pd	Voucher	Invoice Date	Reference / Bank Statement	Description	Due Date	TC Orig Balance	BC Orig Balance	TC Current Balance	BC Current Balance
10S1003				Heron Surgical Supply			-4,437.50		-4,437.50
0						-2,000.00	-2,000.00	-2,000.00	-2,000.00
Invoices						-2,000.00	-2,000.00	-2,000.00	-2,000.00
2010/11	SINV/Initial	11/01/2010	PO1111	PO1111 10S1003	12/31/2010	-1,000.00	-1,000.00	-1,000.00	-1,000.00
2010/11	SINV/Initial	11/01/2010	PT1	PT1 10S1003	12/31/2010	-1,000.00	-1,000.00	-1,000.00	-1,000.00
US Dollar (USD)						-2,437.50	-2,437.50	-2,437.50	-2,437.50
Invoices						-2,437.50	-2,437.50	-2,437.50	-2,437.50
2010/08	SINV/000000070	08/13/2010	PO081003	PO081003 10S1003	10/12/2010	-812.50	-812.50	-812.50	-812.50
2010/09	SINV/000000091	09/13/2010	PO091003	PO091003 10S1003	11/12/2010	-1,625.00	-1,625.00	-1,625.00	-1,625.00
Grand Total							-4,437.50		-4,437.50

----- End of Report -----



EF-APP-350

Select open or closed payments and display individual payment details, as well as total amounts for each selection you make. Optionally, you can filter by currency.

The Activity tab displays all invoices and associated payments for the supplier. Payments display as child rows beneath their associated invoices. View the invoice and payment information separately using the Supplier Invoices and Payments tabs.

Use grid features to group and sort information by key credit related details such as the number of weeks overdue, or see all invoices due in a certain week.

Supplier Aging Analysis Current

AP Reporting

- Supplier Aging Analysis Current



USA DIVISION

Page 1 / 2

Supplier Aging Analysis Current

Curr	Daybook / Voucher	Reference	Invoice Date	Due Date	L	D	Open Amount (TC)	Open Amount (BC)	Within Terms	1 Months Overdue	2 Months Overdue	3+ Months Overdue
1051003 Heron Surgical Supply 30 89th Avenue Queens, NY, 11432 USA - TAX PURPOSE							Phone:	Contact: Donald Schneider				
							Fax:					
Supplier total							-2,437.50	-1,625.00	-812.50	0.00	0.00	
USD (US Dollar)							-2,437.50	-2,437.50	-1,625.00	-812.50	0.00	0.00
INVOICE							-2,437.50	-2,437.50	-1,625.00	-812.50	0.00	0.00
USD	SINV/000000070	PO081003	08/13/2010	10/12/2010			-812.50	-812.50	0.00	-812.50	0.00	0.00
USD	SINV/000000091	PO091003	09/13/2010	11/12/2010			-1,625.00	-1,625.00	-1,625.00	0.00	0.00	0.00
Grand Total							-2,437.50	-1,625.00	-812.50	0.00	0.00	

Lists all open items created in the specified time frame. Also lists the due supplier open items by number of periods overdue at the entered date for aging calculation. The supplier aging reports show both supplier postings (the supplier invoice posting and the matching posting) on the same report.

On the supplier aging reports, prepayments that are not allocated and remain as open items are included in the aging.

Overview

- Supplier invoice basic processing flow ✓
- Alternative scenarios ✓
 - “Initial” supplier invoice
 - Supplier invoice template
 - Credit note, invoice correction
 - Supplier invoice reversal, replacement
 - Tax updates
- Allocation & approval flows ✓
- AP payments ✓
 - Alternative flows
 - Prepayment processing
- AP reporting ✓
 - Demo

Chapter 12

Banking Entries

Overview

Overview

- Banking flow
- Bank statement allocation
 - Prerequisites
 - Flow
 - Activities
- Bank statement, other activities

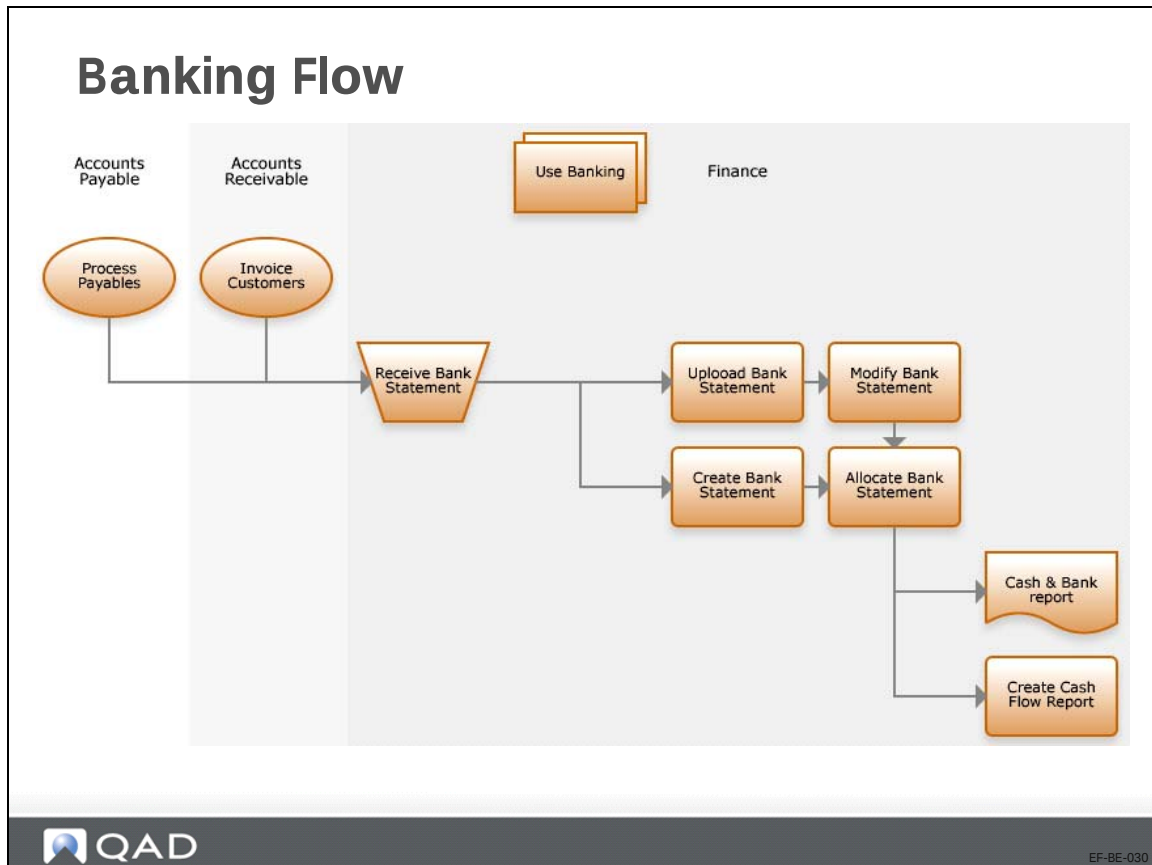


EF-BE-020

In this chapter, you will learn how banking is handled in QAD Enterprise Applications. This includes the banking flow, bank statement activities, and statement allocation.

Note This chapter describes the manual banking entry flow. The automated flow that uses the Process Incoming Bank Files functionality is described in the *Advanced Financials Training Guide*.

Banking Flow



The Banking Entry Create (31.1.1) function is the single entry point for creating, maintaining, and allocating statements. You can modify existing bank statements, depending on their status.

Banking Flow

- Create bank statement
- Allocate and register bank statement line
- Statement status
 - Allocated, unallocated, partially allocated

Banking Entry Create

Go To Actions Tools Attach Print Preview

Attachments

Bank

GL Account: 1100 Current bank account USD Bank Statement Year: 2008 001
 Bank Account No: GL Balance: 0.00
 Unallocated Statement Balance: 0.00 USD Status: Unallocated

Posting

Posting Date: 08/14/2008 GL Calendar Year: 20 8
 Daybook: BEUSD 000000001
 Amount to Allocate: 10,000.00 DR

Balance

Opening Balance: 0.00
 Activity: 10,000.00
 Closing Balance: 10,000.00

Numb	Value Date	Description	TC Amount	In/Out	Status
1	08/14/2008	001	10,000.00	In	Unallocated

Each statement has one of the following statuses, depending on the status of its statement lines:

Allocated

All statement lines are allocated.

Unallocated

No statement lines are allocated yet.

Partially Allocated

Some (but not all) statement lines are allocated.

Bank Statement Allocation

Bank Statement Allocation

- Prerequisites
- Flow
- Activities
 - Allocate to invoice
 - Allocate to GL account
 - Allocate to payment selection
 - Allocate to payment



EF-BE-050

Available allocation options include:

- Choose Allocate to Invoice to allocate the entry amounts to invoices, prepayments, or payment selections to which you want to allocate the entry amount. For this option, you can define configuration settings to streamline the process.
- Choose Allocate to Payment or Payment Selection to allocate the entry amounts to a customer or supplier payment selection.
- Choose Allocate to GL Account to create a journal entry that allocates the banking entry amount to GL accounts.

Prerequisites

Bank Statement Allocation Prerequisites

- Mandatory
 - Bank statement with at least one line
 - Current activity: create, modify or allocate
- Optional
 - none

Bank

GL Account: 1100 Current bank account USD Bank Statement Year: 2008 GL Balance: 0.00
 Bank Account No: Unallocated Statement Balance: 10,000.00 USD Status: Unallocated

Posting

Posting Date: 08/14/2008 GL Calendar Year: 2008 Daybook: BEUSD Amount to Allocate: 100.00 DR

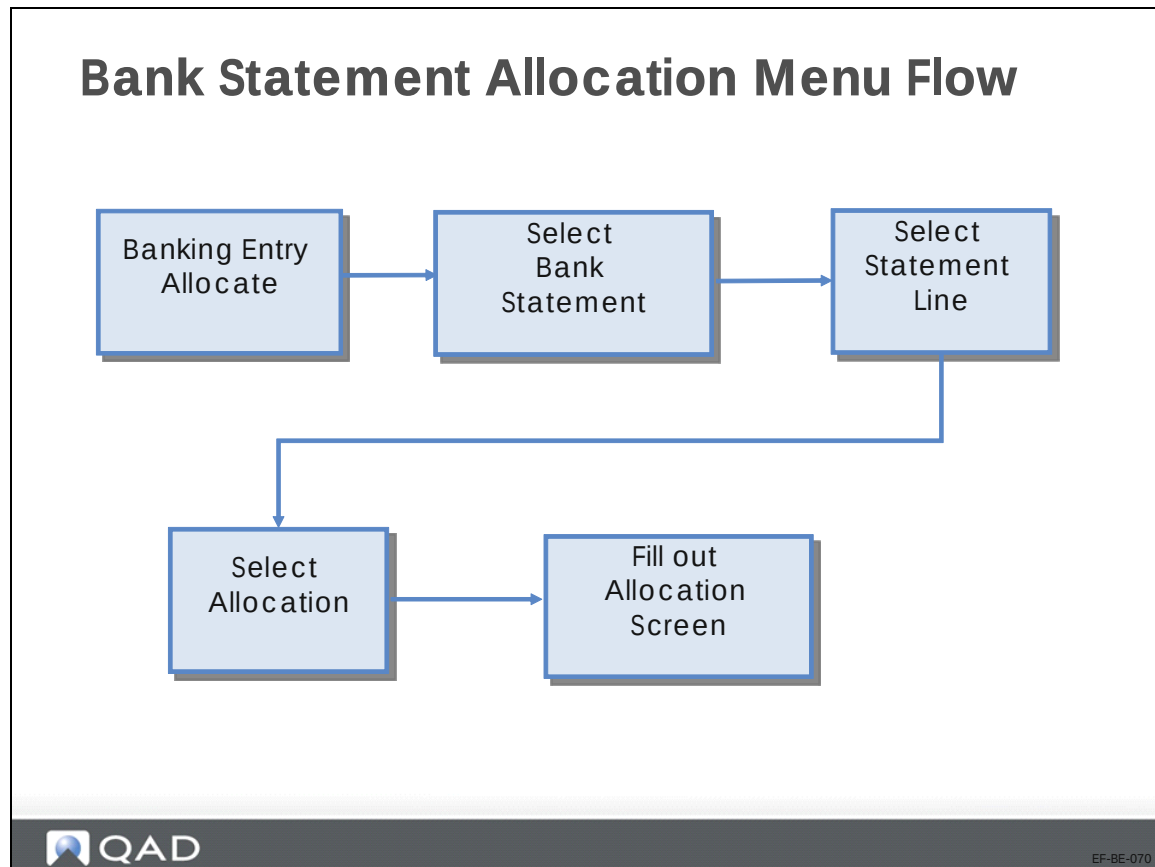
Balance

Opening Balance: 10,000.00 Activity: 100.00 Closing Balance: 10,100.00

Numb	Value Date	Description	TC Amount	In/Out	Status	Allocate
1	08/14/2008	002	100.00	In	Unallocated	

Bank statement lines can be created manually or uploaded. A bank statement is required to have at least one line allocated.

Menu Flow

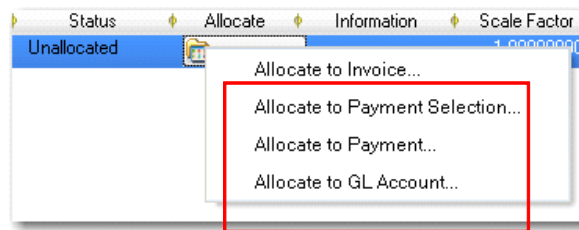


- 1 Select Banking Entry Allocate.
Browse through unallocated, partially allocated bank statements.
- 2 Select a bank statement in the browse.
Screen with one bank statement.
- 3 Select a bank statement line.
- 4 Use Allocation button or right-click the mouse and select Allocate.
- 5 Complete the Allocation screen.

Variants

Bank Statement Allocation Variants

- Allocate bank statement line to
 - Invoice, Open item
 - GL account
 - Payment selection
 - payment



EF-BE-080

Each statement line must be allocated to:

- An invoice (customer or supplier) or an open item (including prepayments).
- A GL account
- A payment selection. Payment selections are groups of supplier payments or a direct debit (customer payments).
- A payment (such as check or draft)

Click on Allocate on the statement line header to access the different options.

To ensure that it is always possible to reconcile the payment account with the total of the For Collection payments, the system prevents you from allocating a banking entry to a payment if the posting date of the payment is later than the posting date of the banking entry.

Bank Statement Updates/Deletion

Bank Statement Updates and Deletion

- Update by bank statement status
 - Allocated: no update
 - Unallocated, partially allocated:
 - Bank Statement Number
 - Posting Year, Date (used at registration time)
 - Opening Balance
 - All line information
- Delete
 - Only with status “unallocated”



EF-BE-090

The status of the bank statement defines which fields can be modified:

- Allocated: All fields are read only; only the View activity is allowed
- Not Allocated/Partly Allocated. The following fields can be modified:
 - Bank Statement Number
 - Posting Year/Date (used at registration time)
 - Opening Balance
 - All line information

You can only delete bank statements that have a status of Unallocated.

Banking Entries and Foreign Currency

Banking Entries and Foreign Currency

- Case 1: 2 currencies
 - Example: EUR bank, CNY payment
 - Bank exchange rate : 1 EUR = 10.10 CNY
- Case 2: 3 currencies
 - Example: EUR bank - USD payment, CNY invoice
 - Bank exchange rate : 1 EUR = 1.75 USD



EF-BE-100

You can also enter additional information on value dates, external exchange rates, and currencies by selecting the Value Details option.

- These details can be used for cash forecasting and for handling exchange rates.
- Right-click the entry line to display the option.

Bank Statement Related Reports

Bank Statement Related Reports						
Cash and Bank GL Report						
2010						
Entity	22UKCO	GL Acct	12300	Banking		
Beginning Balance						
10	29	000000000	Payment Selection PS1	2080 Payment In Process	0.00	5000.00
10	29	000000000	Payment Selection PS1	2080 Payment In Process	0.00	2500.00
Daily Totals					0.00	7,500.00
11	1	000000000	2010/CINV000000140	1300 Accounts Receivables	2000.00	0.00
Daily Totals					2,000.00	0.00
Ending Balance						

The Cash and Bank GL Report lists the transactions that are posted on the selected cash or bank account and the corresponding GL accounts on which the cash or bank transactions have been posted.

US Exercise: Banking Entry

In this exercise, you will practice creating bank statements and allocating bank statement lines.

Unless otherwise stated, use:

- Entity: 10USACO
 - Use the following parameters (if needed):
 - Bank account: GL 1100 Current Bank account USD
 - Sub-account: use the default or else use Gserv
 - Cost center: use the default or else use Adm
 - For all other fields, use the lookup and choose from the list.
- 1** Use Banking Entry Create (31.1.1) to enter the following bank statements for the current USD bank account. Click on the Allocation button to allocate to an invoice or a GL account.

Note Amounts in bold are subtotals

	Bank entry	Curr	Amount	Allocation
			0.00	
1	Withdrawal Cash Money	USD	-1,000.00	Funding Petty Cash against GL 1670
			-1,000.00	
2	Incoming Transfer Customer	USD	10,000.00	Cust 10C1001 / 7100 USD + Prepayment
			9,000.00	
3	Outgoing Payment	USD	-900.00	Supplier 10S1001 Prepayment
			8,100.00	
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 Transfer Customer	USD	3,575.00	10C3000 (all Entities/all Invoices)
			11,625.00	

- 2** Verify the banking entries in Journal Entry View (25.13.1.3).

EMEA Exercise: Banking Entry

In this exercise, you will:

- Create bank statements.
- Allocate bank statement lines.

Unless otherwise stated, use the following values:

- Entity: 22UKCO
- Bank account: GL 1120 Current Bank account GBP
- Sub-account: use the default or else use Gserv
- Cost center: use the default or else use Adm
- For all other fields: use the lookup and choose from the list.

- 1 Use Banking Entry Create (31.1.1) to enter the following bank statements for the current GBP bank account. Click on the Allocation button to allocate to an invoice or a GL account.

Note Amounts in bold are subtotals. Create each line as a separate statement.

	Bank Entry	Curr	Amount	Allocation
			0.00	
1	Withdrawal Cash Money	GBP	-1,000.00	Funding Petty Cash against GL 1670
			-1,000.00	
2	Incoming Transfer Customer	GBP	10,000.00	Cust 22C1000 / 7100 GBP + Prepayment
			9,000.00	
3	Outgoing Payment	GBP	-900.00	Supplier 22S1001 Prepayment
			8,100.00	
4	Undocumented Payment	GBP	-250.00	to GL 1670
			7,850.00	
5	Bank Charges	GBP	-50.00	to P/L Account 7700
			7,800.00	
6	Correction	GBP	250.00	to GL 1670
			8,050.00	
7	Incoming Transfer Customer	GBP	3,575.00	22C1002 Electronic Services Ltd (all Entities/all Invoices)
			11,625.00	

- 2 Verify the banking entries in Journal Entry View (25.13.1.3).

Chapter 13

Netting and Open Items

Overview

Overview

- Definitions
- Open item reports
- Netting and Open Item Adjustment



EF-NOI-020

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

If the Customer/Supplier Compensation Allowed field is selected in the entity and business relation, you can adjust customer and supplier open items belonging to the same business relation directly against each other.

Definitions

Open Item Definitions

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

Reports

Customer Open Item Basic Report



Customer Open Item Report

UK DIVISION

Page 1 / 1

Curr	Voucher	Pay Date	Post Date	Description	Due Dt	Disc Due Dt	TC Orig Balance	BC Orig Balance	TC Current Balance	BC Current Balance
22C1001		22-C1001		Phone:		Contact:				
				Fax:						
								3,008.43		3,008.43
Pound Sterling (GBP)								3,008.43		3,008.43
Credit Notes							-225.00	-225.00	-225.00	-225.00
GBP	CCNHO/0000000001	10/21/2010	10/21/2010	OI HO3	11/20/2010	10/21/2010	-225.00	-225.00	-225.00	-225.00
Invoices							3,233.43	3,233.43	3,233.43	3,233.43
GBP	CINV/0000000128	09/07/2010	09/25/2010		10/07/2010	09/07/2010	2,391.13	2,391.13	2,391.13	2,391.13
	CIHO/0000000003	10/11/2010	10/11/2010	OI Ho1	11/10/2010	10/11/2010	30.20	30.20	30.20	30.20
	CIHO/0000000004	10/08/2010	10/08/2010	OI HO2	11/07/2010	10/08/2010	812.10	812.10	812.10	812.10
Grand Total								3,008.43	3,008.43	

..... End of Report

..... End of Report

Supplier Open Item Extended Report

Supplier Open Item Extended Report

		Supplier Open Item Extended Report						UK DIVISION Page 1 / 1	
Year/GL Pd	Voucher	Invoice Date	Reference / Bank Statement	Description	Due Date	TC Orig Balance	BC Orig Balance	TC Current Balance	BC Current Balance
22S1001				Cheshire Packaging Products			-120,488.25		-120,488.25
				Pound Sterling (GBP)		-120,488.25	-120,488.25	-120,488.25	-120,488.25
Invoices						-120,488.25	-120,488.25	-120,488.25	-120,488.25
2010/08	SINV/000000081	08/16/2010	PO081016	PO081016 22S1001	10/15/2010	-16,662.75	-16,662.75	-16,662.75	-16,662.75
2010/09	SINV/000000103	09/15/2010	PO091016	PO091016 22S1001	11/14/2010	-100,825.50	-100,825.50	-100,825.50	-100,825.50
2010/10	SINV/000000117	10/21/2010	PS H02	PS H02 22S1001	12/20/2010	-1,000.00	-1,000.00	-1,000.00	-1,000.00
2010/10	SINV/000000118	10/21/2010	PS H03	PS H03 22S1001	12/20/2010	-2,000.00	-2,000.00	-2,000.00	-2,000.00
Grand Total							-120,488.25		-120,488.25

----- End of Report -----

Netting and Open Item Adjustment

Netting and Open Item Adjustment

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

Open Item Adjustment Create

Posting Info

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

Daybook Code: SUPADJ 1 Layer: Primary

Description:

New Item Allocate GL

BC Balance: 0.00 DR

Search for Invoices/Payments

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

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

Search

Drag a column header here to group by that column.

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

QAD EF-NOI-060

The Description field lets you enter a reason for the open item adjustment. For customer adjustments, the description displays in the Activity, Invoices, and Payment tabs of the Customer Activity Dashboard (27.18.1). For supplier adjustments, the description displays in the Activity, Invoices, and Payment tabs of the Supplier Activity Dashboard (28.18.1).

Netting and Open Item Adjustment—Continued

Netting and Open Item Adjustment

- GL open item
 - Use Journal Entry with GL account type = Open Item

The screenshot shows the 'Journal Entry Create' window in QAD. The 'GL Account Search' dialog is open, displaying search criteria. A red box highlights the 'GL Type' dropdown, which is set to 'Open Items Account'. The search results table below shows four records, all with 'Open Items Account' as the GL Type.

GL Account	Description	GL Type	Sub-Account	Cost Center Account
1390	Bounced cust paym instu	Open Items Account	no	no
1675	Sundry Transfers	Open Items Account	no	no
2090	Bounced suppl paym instr	Open Items Account	no	no
2480	Accruals	Open Items Account	yes	no

Create a new open item or allocate to an existing open item.

Customer/Supplier Netting

Customer Supplier Netting

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Open Item Adjustment Modify

Open Item Adjustment Modify

- Lets you modify the Description field

Open Item Adjustment Modify

Go To Actions Tools Print Preview Attach

Year: 2011 03 Date: 03/21/2011

Daybook: CUSTADJ 000000002 Daybook Type: Customer Adjustments

Description: Netting two invoices for same BR

Type	Invoice Number	Supplier/Customer	TC	TC Orig Balance	TC Movement	TC Payment Disc	TC Tax Disc	TC Net
Supplier Invoice M	2011/SINV/000000	22S1000	USD	-245.00	105.00	0.00	0.00	
Customer Invoice	2011/CIHQ/000000	22C1000	USD	105.00	-105.00	0.00	0.00	

US Exercise: Netting and Open Item Adjustments

In this exercise, you will:

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

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

- Entity: 10USACO
 - Daybook: CUSTADJ
 - Sub-account: use the default or else use Gserv
 - Cost center: use the default or else use Adm
 - For all other fields, use the lookup and choose from the list.
- 1 Use Open Item Adjustment Create (25.13.5) to create adjustments for customer 10C1005, Rockland Industrial Company:
 - An invoice of value \$30.20 USD (full adjustment, new balance = \$0).
 - An invoice of value \$812.10 USD (partial adjustment, new balance = \$617.30 USD).
 - A credit note of value \$225.00 USD (full adjustment, new balance = 0).
 - 2 Enter customer/supplier 10C1005 and click Search to display a list of open items. Then, select from the list.
 - 3 Create adjustments for supplier 10SC1005 (daybook SUPADJ).
 - An invoice of value \$200.00 USD (new balance = 0).
 - A credit note of value \$491.50 USD (new balance = 0).
 - Balance of \$291.50 USD to B/S account 1670.
 - 4 Create adjustments for business relation Auto-Plas International 22-CS1000 as follows:
 Customer 22C1000: An invoice of value \$105.00 USD (new balance = 0).
 Supplier 22S1000: An invoice of value \$245.00 USD (new balance = \$140.00 USD).
 - 5 Verify the results using Open Item Adjustment View (25.13.6).

EMEA Exercise: Netting and Open Item Adjustments

In this exercise, you will:

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

Use the following parameters (if needed):

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

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

- 1 Customer 22C1001, Teasdale Hospital Equipment
An invoice of value 30.20 GBP (full adjustment, new balance = 0).
An invoice of value 812.10 GBP (partial adjustment, new balance = 617.30 GBP).
A credit note of value 225 GBP (full adjustment, new balance = 0).
- 2 Create adjustments for customer 22C1002, Electronic Services Ltd.
An invoice of value 1200 GBP (new balance = 900).
A credit note of value 238 GBP (new balance = 0).
Balance of 62 GBP to B/S account 1670.
- 3 Create adjustments for business relation Auto-Plas International 22-CS1000 as follows:
Customer 22C1000: invoice for 5950 GBP (new balance = 5750 GBP).
Supplier 22S1000: invoice for 200 GBP (new balance = 0 GBP).
- 4 Verify the results using Open Item Adjustment View (25.13.6).

Chapter 14

GL Open Item Reconciliation

Objectives

Objectives

- Learn about GL Open Item Reconciliation and how it can benefit you
- Learn and practice how to set up and use GL Open Item Reconciliation

Overview

Overview

- Reconcile the open balance of a GL OI account with the underlying transactions.
- The remaining unmatched transactions reflect the account balance.
- GL open items are typically used for posting accruals.



GL-OI-Recon-030

Use GL Open Item Reconciliation (25.15.2.13) to reconcile the outstanding balance of a GL open item account with the underlying transaction details. The outstanding balance is the sum of the unmatched transactions on the account. After matching debit transactions with credit transactions, the remaining unmatched transactions reflect the true account balance.

GL open items are typically used for posting accruals; for example, insurance costs for an entire year, broken down into monthly values.

Overview - Continued

- The system tracks matched and unmatched items in a GL open item sub-ledger.
- Allocation keys: used to mark and link related transactions.



GL-OLRecon-040

For GL open item accounts, the system tracks matched and unmatched items in a GL open item sub-ledger. The identifier used to mark and link related transactions is called an allocation key. Through the use of allocation keys in GL Open Item Reconciliation (25.15.2.13), debit and credit transactions can be matched and reconciled.

Allocation Key

Allocation Key

- Specified when creating the postings on GL open item accounts.
- Transactions can have three statuses:
 - Link to Open Item
 - New Open Item
 - Allocate Later



GL-OI-Recon-050

You specify allocation keys when creating the postings on GL open item accounts using Journal Entry Create (25.13.1.1), and in other system functions where you can enter transactions on GL open item accounts. When creating open item postings, the transactions can be created with one of three statuses:

- Link to Open Item, where the movement is linked to an existing allocation key.
- New Open Item, where a new allocation key is assigned to the movement.
- Allocate Later, where the user chooses not to allocate the open item and a normal GL movement is created, without an allocation key.

Any posting on a GL open item account triggers the system to display the Allocation Key field.

Allocation Key - Continued

Journal Entry Create

Go To Actions Tools Attach Print Preview

Attachments

Year: 2010 07 Posting Date: 07/09/2010 Additional GL Numbering Date: 07/09/2010

Daybook Code: Trans-JE 000000003 Layer Type: TRANSIENT Save As Template: ☐

Description: Unpaid Invoices Template Code: Replacement: ☐

Original Posting Reference: Sequence Number: 000000000 Reversal: ☐

Second Description:

GL Account	Sub-Account C	Cost Ce	Description	SC Debit (USD)	SC Credit (USD)	Project Code	TC Debit	TC Credit	Trans Curr
7890			Unpaid Invoices	1,000.00	0.00		1,000.00	0.00	USD
Allocation			Open Item Posting						
New Open Item			2010/7/Trans-JE/3						
			Allocation Key						
			K1						

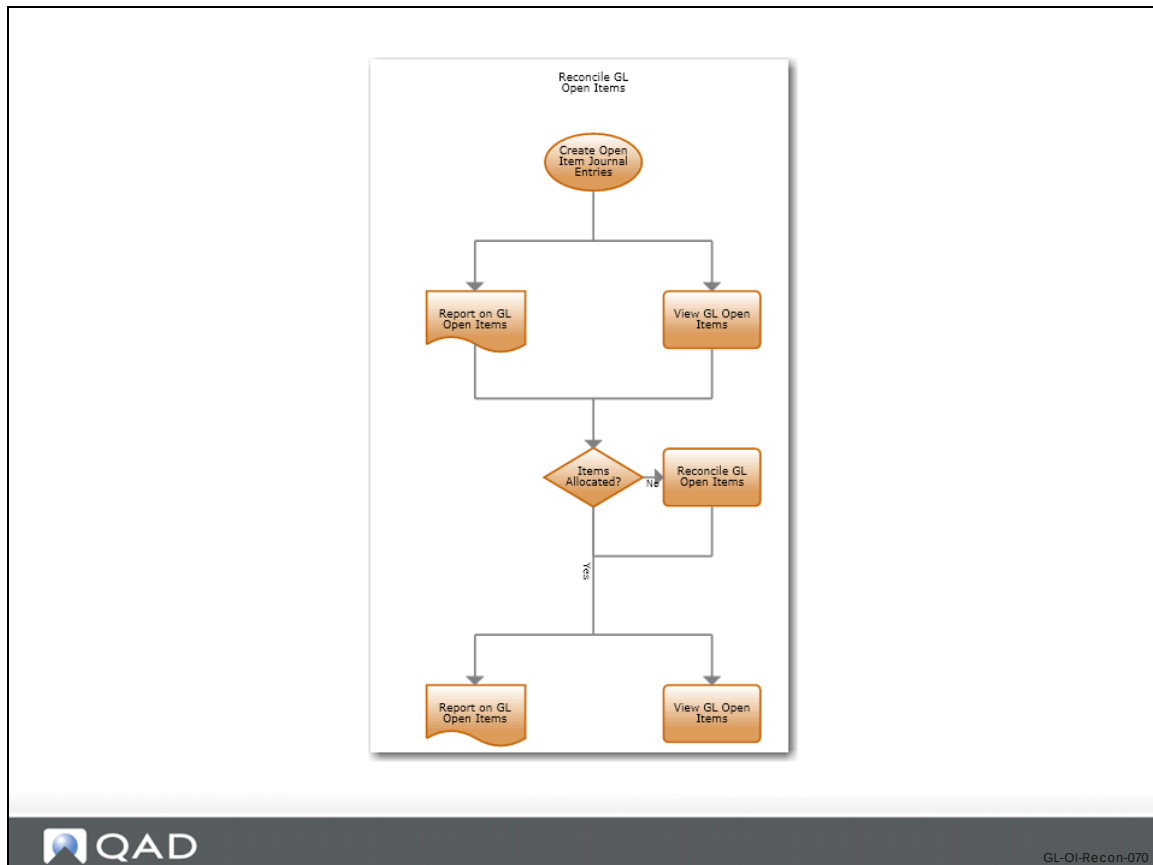
GL Account Sub-Account C Cost Ce Description SC Debit (USD) SC Credit (USD) Project Code TC Debit TC Credit Trans Curr

Allocation Key

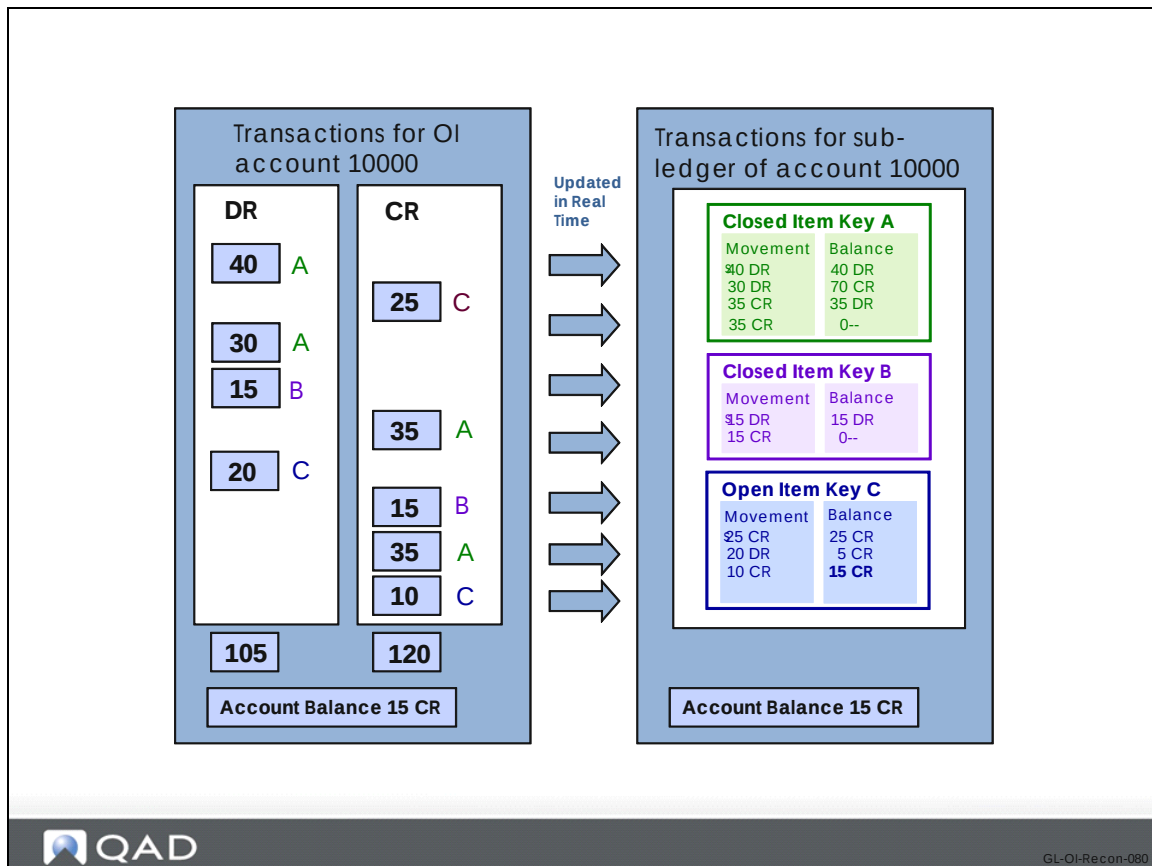


GL-OI-Recon-060

Process Flow



The slide shows the GL Open Item Reconciliation Process Map.



The graphic shows transactions for GL open item account 10000. Using allocation keys in GL Open Item Reconciliation (25.15.2.13), the outstanding debit and credit movements on account 10000 are matched, leaving an outstanding credit balance of 15 USD.

GL Open Item Reconciliation

GL Open Item Reconciliation

- Select one or more lines from the grid and:
 - allocate them to a new open item
 - match items by linking to an existing allocation key
- Movements are closed when the balance of the associated allocation key is zero.



GL-OI-Recon-100

Use the filter criteria in GL Open Item Reconciliation (25.15.2.13) to locate open items for a given GL open item account. Open item movements created for that account in Journal Entry and other functions and matching the selection criteria are displayed. You also have the option to include closed GL open item movements in the search criteria. Open item movements are closed when the balance of their associated allocation key becomes zero.

Use the filter criteria to locate open items for a GL open item account.

Select	Allocation Type	Allocation Key	Open	Description	Currency Code	BC Debit	BC Credit	BC Balance	Ba
☒	Allocate Later		☒	Open Items	USD	2300	0	0	2300
☐	Allocate Later		☐	Open Items	USD	0	780	0	-780
☐	New Open Item	A1	☐	Open Items	USD	870	0	0	870
☐	Link to Open Item	A1	☐	Open Items	USD	0	870	0	-870
☐	Allocate Later		☐	Open Items	USD	0	1000	0	-1000
Grand Summaries						3,170.00	2,650.00		

Allocation Status: BC Balance of Selection: 0.00 CR
 Applied Allocation Key: New BC Balance of Applied Open Items: 0.00 CR

You can select one or more lines from the grid and allocate them to a new open item, or you can match items by linking them to an existing allocation key. In addition, you can deallocate allocated transactions by resetting their statuses to Allocate Later.

You can view the outstanding balance of open items by selecting the items in the grid. The BC Balance of Selection field at the bottom of the screen then displays the balance of the selected items, while the New BC Balance of Applied Open Items shows the projected balance of the open item key applied to the selected lines. This balance can be different from that shown in the BC Balance of Selection field because the open item key can already have a balance from movements that are not in the current selection.

For all transactions displayed in the grid, you can drill-down and view the source transactions. You can also view GL open items and their allocation statuses using a report and a number of views.

Example

Example

Drag a column header here to group by that column.

Select	Posting Date	Allocation Ty	Daybo	Voucher	Allocation Key	Open	Description	BC Debit	BC Credit	BC E
☒	07/06/2010	New Open It	QADJE	100	K2	☒	Open Items	500	0	
☐	07/06/2010	Link to Open It	QADJE	101	K2	☒	Open Items	0	100	
☐	07/06/2010	Link to Open It	QADJE	104	K3	☒	Open Items	50	0	
☐	07/06/2010	New Open It	QADJE	102	K3	☒	Open Items	0	800	
☐	07/06/2010	Link to Open It	QADJE	103	K3	☒	Open Items	100	0	
☐	07/06/2010	New Open It	QADJE	94	K1	☒	Open Items	1100	0	
☐	07/06/2010	Link to Open It	QADJE	95	K1	☒	Open Items	0	300	
☐	07/06/2010	Allocate Later	QADJE	96		☐	Open Items	300	0	
☐	07/06/2010	Allocate Later	QADJE	97		☐	Open Items	0	200	
☐	07/06/2010	Allocate Later	QADJE	98		☐	Open Items	0	100	
☐	07/06/2010	Allocate Later	QADJE	99		☐	Open Items	0	400	
Grand Summaries								2,050.00	1,900.00	

GL open item account 1011 has movements as shown



GL-OI-Recon-110

In this example, GL Open Item Reconciliation (25.15.2.13) is used to reconcile unallocated lines to an existing open item.

GL open item account 1011 has the following transactions:

Line	Allocation	Allocation Key	BC Debit	BC Credit
1	New Open Item	K2	500	
2	Link to Open Item	K2		100
3	Link to Open Item	K3	50	
4	New Open Item	K3		800
5	Link to Open Item	K3	100	
6	New Open Item	K1	1100	
7	Link to Open Item	K1		300
8	Allocate Later	Blank	300	
9	Allocate Later	Blank		200
10	Allocate Later	Blank		100
11	Allocate Later	Blank		400

Example - Balance of Key K1

Drag a column header here to group by that column.

Select	Posting Date	Allocation Ty	Daybo	Voucher	Allocation Key	Open	Description	BC Debit	BC Credit	BC E
☐	07/06/2010	Link to Open It	QADJE	104	K3	☒	Open Items	50	0	
☐	07/06/2010	New Open It	QADJE	102	K3	☒	Open Items	0	800	
☐	07/06/2010	Link to Open It	QADJE	103	K3	☒	Open Items	100	0	
☒	07/06/2010	New Open It	QADJE	94	K1	☒	Open Items	1100	0	
☒	07/06/2010	Link to Open It	QADJE	95	K1	☒	Open Items	0	300	
Grand Summaries								1,250.00	1,100.00	

Allocation Status: BC Balance of Selection: 800.00 DR
 Applied Allocation Key: New BC Balance of Applied Open Items: 0.00 CR

By selecting the transactions that belong to each allocation key, you can see the base currency balance for each key. The following table displays the balance of the allocation keys:

Allocation Key	BC Debit	BC Credit	BC Balance
K1	1100	300	800
K2	500	100	400
K3	150	800	-650

Apply unallocated movements to key K2

Allocation key K2 is closed

Select	Posting Date	Allocation Ty	Daybo	Voucher	Allocation Key	Open	Description	BC Debit	BC Credit	BC E
☐	07/06/2010	New Open It	QADJE	100	K2	☒	Open Items	500	0	
☐	07/06/2010	Link to Open It	QADJE	101	K2	☒	Open Items	0	100	
☐	07/06/2010	Link to Open It	QADJE	104	K3	☒	Open Items	50	0	
☐	07/06/2010	New Open It	QADJE	102	K3	☒	Open Items	0	800	
☐	07/06/2010	Link to Open It	QADJE	103	K3	☒	Open Items	100	0	
☐	07/06/2010	New Open It	QADJE	94	K1	☒	Open Items	1100	0	
☐	07/06/2010	Link to Open It	QADJE	95	K1	☒	Open Items	0	300	
☒	07/06/2010	Allocate Later	QADJE	96		☐	Open Items	300	0	
☒	07/06/2010	Allocate Later	QADJE	97		☐	Open Items	0	200	
☒	07/06/2010	Allocate Later	QADJE	98		☐	Open Items	0	100	
☒	07/06/2010	Allocate Later	QADJE	99		☐	Open Items	0	400	
Grand Summaries								2,050.00	1,900.00	

Allocation Status: Link to Open Item
Applied Allocation Key: K2

BC Balance of Selection: 400.00 CR
New BC Balance of Applied Open Items: 0.00 CR

Select	Posting Date	Allocation Ty	Daybo	Voucher	Allocation Key	Open	Description	BC Debit	BC Credit	BC E
☒	07/06/2010	Link to Open It	QADJE	104	K3	☒	Open Items	50	0	
☐	07/06/2010	New Open It	QADJE	102	K3	☒	Open Items	0	800	
☐	07/06/2010	Link to Open It	QADJE	103	K3	☒	Open Items	100	0	
☐	07/06/2010	New Open It	QADJE	94	K1	☒	Open Items	1100	0	
☐	07/06/2010	Link to Open It	QADJE	95	K1	☒	Open Items	0	300	
Grand Summaries								1,250.00	1,100.00	

QAD GL-OI-Recon-130

You then use GL Open Item Reconciliation (25.15.2.13) to reconcile the lines without an allocation key. You select the four unallocated lines in the grid.

In the Allocation Status field under the grid, select Link to Open Item and specify K2 in the Applied Allocation Key field.

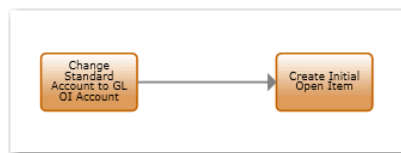
As a result of the reconciliation, allocation key K2 is closed, and the following are the outstanding balances for the open allocation keys on the account:

Allocation Key	BC Debit	BC Credit	BC Balance
K1	1100	300	800
K3	150	800	-650

GL Open Item Initialization

GL Open Item Initialization

- Change a standard GL account to an OI GL account



If the account has transactions posted to it...

- Use GL Open Item Initialization (25.15.2.12) to reconcile the transactions.



GL-OI-Recon-140

If you change a standard GL account to an Open Item GL account and the account already has transactions posted to it, you can use GL Open Item Initialization (25.15.2.12) to reconcile the transactions automatically. This function accommodates situations where there was prior uncertainty over which accounts required the use of GL open items.

When you convert a standard account to a GL open item account, all existing transactions on the account are assigned the default allocation value of Allocate Later.

If a standard account was created for use in the operational modules and specified in, for example, Domain/Account Control (36.9.24), Product Line Maintenance (1.2.1), Purchasing Account Maintenance (1.2.5), or Inventory Account Maintenance (1.2.13), the system prevents you from changing the standard account to a GL open item account.

When you run GL Open Item Initialization (25.15.2.12), the system gathers all transactions for the specified converted open items account, reconciles any transactions that can be reconciled, and creates a closing and an opening transaction for the account.

The closing transaction is automatically assigned the allocation key you specify in GL Open Item Initialization (25.15.2.12). The same key is also assigned to all unallocated transactions on the account, linking the historical transactions in one step. This prevents the older unmatched transactions on the account from being continuously listed as unallocated in GL Open Item Reconciliation (25.15.2.13) or in the GL Open Item report (25.15.1.8).

GL Open Item Initialization

The screenshot shows the 'GL Open Item Initialization' window. It has a title bar with a close button. Below the title bar is a menu bar with 'Go To', 'Actions', 'Tools', 'Print', and 'Preview'. The main area contains two sections of input fields. The first section has 'Start Date' (07/12/2010), 'End Date' (07/12/2010), 'Currency' (USD), and 'OIAccounts' (8008). The second section has 'Daybook' (QADJE), 'Layer' (OFFICIALayer), 'Year / Period' (2010, 7), 'Posting Date' (07/12/2010), and an empty 'Allocation Key' field.

Transactions are assigned the allocation key, Allocate Later.

Reconciles transactions, and creates a closing and an opening transaction for the account.

Other Functional Highlights

- From QAD 2010.1, you can use GL OI accounts in transient layer postings
- Open item key applies to a unique GL account within a single entity
- Open/closed logic is based on BC balances
- Reconciliation is manual

Reports and Views

Reports and Views

GL Open Items Report

Test Company Primary
Page 1 / 1

Allocation Key	Year/GL Pd Voucher	Posting Date	Base Currency			Transaction Currency			
			Original Amount	Activity	Balance	Original Amount	Curr	Activity	Balance
1011	Open Items		800.00DR	650.00CR	150.00DR				
K1	2010/07 QADJE000000094	07/06/2010	1,100.00DR	300.00CR	800.00DR	1,100.00DR	USD	300.00CR	800.00
Activity	2010/07 QADJE000000095	07/06/2010		300.00CR				300.00CR	
K2	2010/07 QADJE000000100	07/06/2010	500.00DR	500.00CR	0.00DR	500.00DR	USD	500.00CR	0.00
Activity	2010/07 QADJE000000101	07/06/2010		100.00CR				100.00CR	
	2010/07 QADJE000000096	07/06/2010		300.00DR				300.00DR	
	2010/07 QADJE000000097	07/06/2010		200.00CR				200.00CR	
	2010/07 QADJE000000098	07/06/2010		100.00CR				100.00CR	
	2010/07 QADJE000000099	07/06/2010		400.00CR				400.00CR	
K3	2010/07 QADJE000000102	07/06/2010	800.00CR	150.00DR	-650.00CR	800.00CR	USD	150.00DR	650.00
Activity	2010/07 QADJE000000104	07/06/2010		50.00DR				50.00DR	
	2010/07 QADJE000000103	07/06/2010		100.00DR				100.00DR	
Grand Total			800.00DR	650.00CR	150.00DR				
..... End of Report									

GL-OI-Recon-170

The GL Open Items report (25.15.1.8) lists and totals GL open items within the open items sub-ledger. The output is grouped by allocation key.

GL Open Item View

Reports and Views - Continued

Open Item Browse for Open It...

Actions Print Add to Favorites Chart Chart Designer Refresh Stored Searches

Search (7)

GL Calendar Year equals 2010 - Search Clear All

GL Account equals 7060 -

Allocation Key equals -

Daybook Code equals -

Voucher equals -

Open equals -

Viewing 1 - 4 of 4 Records per page: 100

GL Account	GL Cal Year	GL Pd	Posting Date	BC Current Bal	Allocation Key	Daybook Code	Voucher	BC Original Debit	BC Original Credit
7060	2010	07	7/8/2010	-400.00	K4	QADJE	000000109	0.00	200.00
7060	2010	07	7/8/2010	400.00	K2	QADJE	000000112	500.00	0.00
7060	2010	07	7/8/2010	800.00	K1	QADJE	000000106	1,100.00	0.00
7060	2010	07	7/8/2010	-650.00	K3	QADJE	000000114	0.00	800.00

Summaries:

Sum = 150.00



GL-OI-Recon-180

The GL Open Item View (25.15.2.5) displays the balance of transactions for each allocation key on a GL open item account.

US and EMEA Exercise: GL Open Item Reconciliation

Exercise 1: 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 Entry Create (25.13.1.1) and specify the following values:
Daybook: TRAJE
Posting Date: 09/05/2011
Description: Holiday Fee Provision 2011
- 2 Choose GL account 4900 and enter TC Credit = 386.00. Use currency USD in 10USACO and currency GBP in 22UKCO.
- 3 Tab to the end of the line. Another sub-line will appear with the allocation status set to Allocate Later.
- 4 Balance the posting by choosing GL Account 2465 with TC Debit = 386.00. Use the currency USD in 10USACO and the currency GBP in 22UKCO.
- 5 Click Save.

Exercise 2: Reconcile Unallocated Transactions on a GL Open Item Account

In GL Open Item Reconciliation, 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, Holiday Fee 2011
 - 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 Open Journal Entry View (25.13.1.3) and specify the following:
Year: 2011
Daybook: JE
 - 2 Click the Search button.
 - 3 Select the journal entry with the description Jan Holiday Pay – Joe.
 - 4 Verify that the posting has been linked to the allocation key Holiday Fee 2011 in 10USACO (allocation key Holiday Fee in 22UKCO).
 - 5 Select the journal entry with the description Jan Holiday Pay – Mary.

- 6** Verify that the posting has not been linked to an allocation key.
- 7** Open GL Open Item Reconciliation (25.15.2.13)
In the Open Items Account field, enter 4900.
In the Posting Date From field, enter 01/01/2011.
In the Posting Date To field, enter 10/05/2011.
- 8** Click the Search button.
All the postings to account 4900 are displayed.
- 9** In the filter, set the Allocation Status field to Unallocated.
- 10** Click the Search button.
Only postings with the Allocate Later status are displayed.
- 11** Right-click in the grid and select Check All to select all unallocated postings.
- 12** In the Apply Allocation section at the end of the screen:
 - a** Set the Allocate Status field to Link to Open Item.
 - b** Set the Applied Allocation Key to Holiday Fee 2011 in 10USACO (or Holiday Fee in 22UKCO).
- 13** Press the Tab key.
- 14** Verify that the BC Balance of Selection field displays 676.00 CR.
- 15** Verify that the New BC Balance of Applied Open Items field displays 786.00 CR.
- 16** Click the Execute button.
- 17** Open Journal Entry View (25.13.1.3) to verify the journal entry after reconciliation.
Year: 2011
Daybook: JE
- 18** Click the Search button.
- 19** Select the journal entry with the description Jan Holiday Pay – Mary.
 - a** Verify that it has been linked to the allocation key Holiday Fee 2011 in 10USACO (or Holiday Fee in 22UKCO).
- 20** Open GL Open Item View (25.15.2.5) to verify the balance of allocation key.
- 21** Specify the allocation key Holiday Fee 2011 (or Holiday Fee in 22UKCO).
- 22** Click the Search button.
- 23** Verify that the line with the allocation key has the balance of -786.00.
- 24** Open GL Open Item Activity View (25.15.2.6) to verify the activity on the allocation key.
Mov Year = 2011
Mov Pd = blank
Allocation Key = Holiday Fee 2011 (or Holiday Fee in 22UKCO)

- 25** Click the Search button.
- 26** Verify the posting with BC Activity Credit = 110.00 has the type Initial while the other postings have the type Activity.

Exercise 3: Delete a Transient Posting

In this exercise, you will delete the transient posting created in exercise 1. Then, you will verify the balance of the allocation key.

- 1** Open Journal Entry Delete (25.13.1.4) and search for the posting to delete:
Daybook: TRAJE
- 2** Click the Search button.
- 3** Select the journal entry.
- 4** Click the Delete button.
- 5** Open GL Open Item View (25.15.2.5) to verify the balance of the allocation key.
Allocation Key: Holiday Fee 2011
(Holiday Fee in 22UKCO)
- 6** Click the Search button.
- 7** Verify that the line with the allocation key has the balance of -400.00.

Exercise 4: Reconcile Allocated Transactions on a GL Open Item Account

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

- 1** Open GL Open Item Reconciliation (25.15.2.13) and specify the following values:
GL Items Account: 4900
Posting Date From: 01/01/2011
Posting Date To: 10/05/2011
- 2** Click the Search button.
- 3** Select the posting with BC Credit = 400.00.
- 4** In the Apply Allocation section, specify the following:
Allocation Status = Link to Open Item
Applied Allocation Key = Bonus Others
- 5** Press the Tab key.
- 6** Click the Execute button.
- 7** Open GL Open Item View (25.15.2.5) to verify the balance of the allocation key.
Allocation Key: Holiday Fee 2011
(or Holiday Fee in 22UKCO)

- 8 Click the Search button
- 9 Verify that the line with the allocation key has a balance of 0.00 and has been closed.

Exercise 5: 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 GL Open Item Initialization.

- 1 Open GL Account Modify (25.3.13.2).
- 2 In the browse, specify GL account 4901 and click the Search button.
- 3 Double-click on GL account 4901.
- 4 Change the GL Type from Standard Account to Open Items Account.
- 5 Save the change.
- 6 Open GL Open Item Initialization (25.15.2.12) and set the following values:
Start Date: 01/01/2011
End Date: 08/31/2011
Currency: USD in 10USACO, GBP in 22UKCO
OIAccounts: 4901
- 7 Set the daybook and posting date for the opening and closing transaction.
- 8 Set the new allocation key used for existing transactions:
Daybook: JE
Posting Date: 08/31/2011
Allocation Key: Bonus 2011
- 9 Click the Execute button.
- 10 Open Journal Entry View to verify the existing journal entry after initialization.
Description: 2011 Extra Legal Bonus – Jan
- 11 Click Search button.
- 12 Select the initialization posting.
- 13 Verify that the initialization posting has been linked to the allocation key Bonus 2011.
- 14 Open Journal Entry View to verify the closing and opening transaction.
Posting Date: 08/31/2011
- 15 Click the Search button.
- 16 Select the posting.
- 17 Verify the closing transaction, which has an allocation status of New Open Item, and the opening transaction, which has an allocation status of Allocate Later

Chapter 15

General Ledger Setup

Overview

Overview

- GL setup flow
- Prerequisites
 - Accounting Layers
 - Daybooks
- GL accounts
- COA mask
- Sub-accounts
- Cost centers
- Projects
- Supplementary Analysis Fields (SAFs)
- GL periods
- Operational accounting defaults



EF-GLS-020

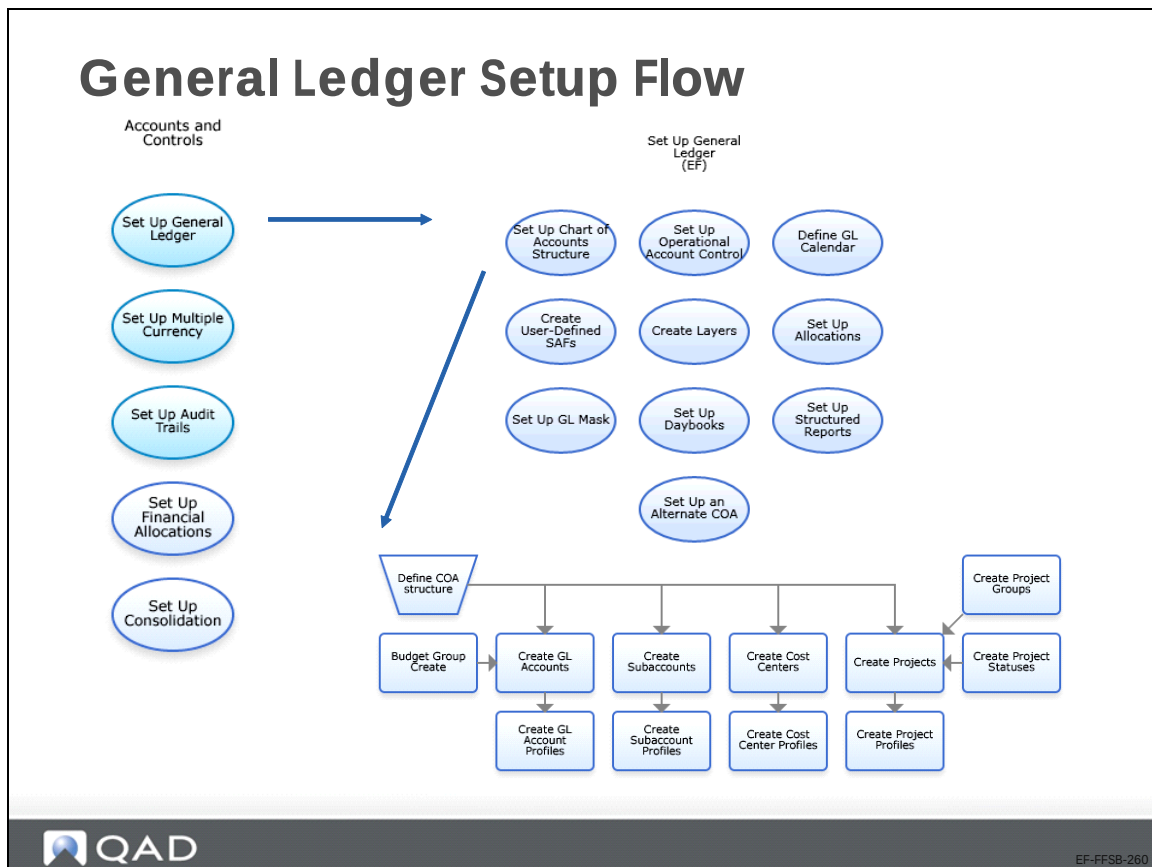
In this chapter, you will learn how to set up the general ledger and its components.

The GL account is the base unit in the general ledger. Transactions are posted during predefined GL periods within the GL calendar year. You can further analyze transactions using sub-accounts, cost centers, projects, and supplementary analysis fields (SAFs).

Transactions are recorded in daybooks, which are system- or user-defined views of the general ledger, and contain all transactions. Daybooks control the posting of transactions because each daybook must be linked to an accounting layer.

Transactions are recorded in daybooks, that can enable temporary postings through links to accounting layers. The COA mask lets you combine accounts, sub-accounts, and cost centers, and projects in a predefined posting framework.

General Ledger Setup Flow

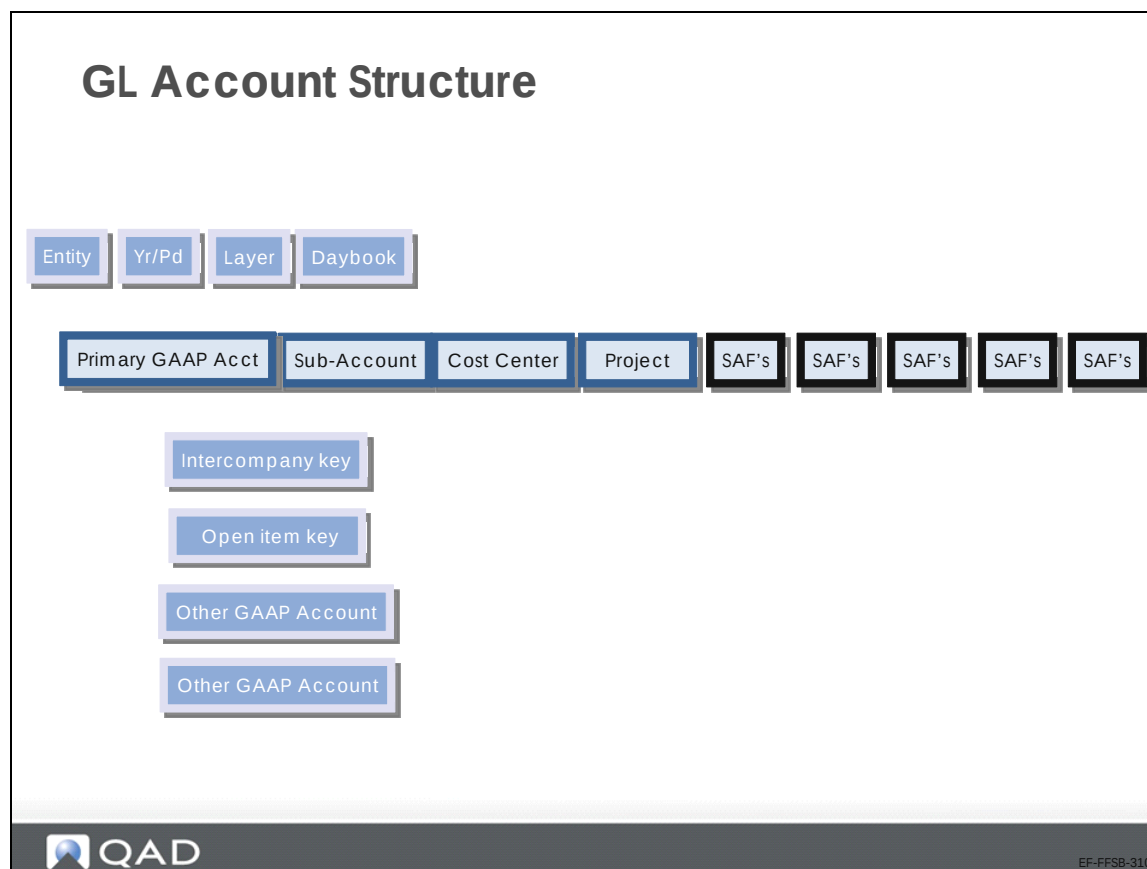


The process maps in the slide display the steps required to set up the general ledger.

You must set up the following GL components before you can define the chart of accounts:

- Accounting layers
- Daybooks

Setting up the Chart of Accounts



To support different types of reporting and analysis, some GL accounts can be used in combination with sub-accounts, cost centers, projects, and SAFs (refer to the *User Guide: QAD Financials* for a list of valid combinations). These elements provide greater granularity in financial reporting. Balances in sub-accounts and cost centers can be listed separately or summarized under account codes.

SAFs provide additional analytical reporting on transactions. SAFs can be used to provide costing on a particular service before you create a purchase order for the service.

You will now learn about the GL components in more detail. For a detailed description of each setup field, refer to *User Guide: QAD Financials*.

GL Account Highlights

GL Account Highlights

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



EF-FFSB-320

GL accounts are identified by the GL account type, which indicates the kind of transactions that post to the account. Additional functionality is available by GL account type, providing better control of account setup and transaction postings.

Specific accounts, called system accounts, are used for system wide functions. System accounts are mandatory for certain functions, such as purchase order receipts and rounding differences.

You can deactivate manual posting for specific GL accounts, for example, subledger accounts to prevent error and mismatch.

You can use advanced Excel integration features to load chart of account data during implementation, or for mass data update.

Types of GL Accounts

Types of GL Accounts

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



EF-FFAS-100

GL account types provide added control over transaction postings, where only certain account types can be used in combination with sub-accounts, cost centers, and projects. For example, bank accounts cannot be used in combination with cost centers, project, and SAFs.

The above slide lists the available GL account types. To learn more about each of these types, refer to *User Guide: QAD Financials*.

System Accounts

System Accounts

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



EF-FFAS-110

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

GL Account Create Menu

The screenshot displays the 'GL Account Create' window in QAD. The 'Account' field is highlighted with a red box. Below it, the 'GL Type' dropdown is set to 'Standard Account' and is also highlighted. The 'Posting' tab is selected and highlighted. The 'Analysis' tab is also highlighted, and its dropdown menu is open, showing options: 'None', 'Both', 'Cost Center', 'Project', and 'SAF'. The 'Analysis Type' dropdown is highlighted. The 'Currency' tab is also highlighted. The 'Base Currency Only' section shows 'TC Revaluation in BC' and 'TC Revaluation in SC' both set to 'None'. The 'Consolidation Method' is set to 'Current Exchange Rate'. The 'QAD' logo is visible at the bottom left, and 'EF-FFAS-120' is at the bottom right.

Use GL Account activities (25.3.13) to create, view, modify, and delete GL accounts. You can also use Excel Integration (25.3.13.5) to import account information from an Excel spreadsheet (For more details, see “UI Navigation and Browsing” on page 25).

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

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

Validating Accounts—COA Mask

Validating Transactions COA Mask

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



EF-FFAS-200

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

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

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

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

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

The COA Element without Mask field contains two options:

- No Posting Restrictions.

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

- Exclude from Posting

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

Sub-Account COA Mask

Sub-Account COA Mask

Sub-Account Mask Create

Code: **SAMatrix** (circled)

Description: Sub-Account Matrix

GL Account Rules

From	To	Disallowed Range	Desc
100	1000	☐	
1010	1099	☐	
2001	2550	☐	

Sub-Account Create

Sub-Account: R&D

Description: Research and Development

Budget Group: 1000

Sub-Account Mask Code: **SAMatrix1** (circled)

Active: ☒

Sub-Account Type COA Mask "SAMatrix1"

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

....

QAD EF-FFAS-210

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

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

Cost Center COA Mask

Cost Center COA Mask

The diagram illustrates the process of creating and associating a Cost Center COA Mask. It features two screenshots of the QAD software interface and a summary table.

Cost Center Mask Create Screenshot: Shows the 'GL Account Rules' table with the following data:

From	To	Disallowed Range	De
10	1999		
2010	3000		
2050	2055		

Cost Center Create Screenshot: Shows the 'Cost Center Mask Code' field set to 'CCMatrix1'.

Summary Table:

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

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

Cost Center Type COA Mask "CCMatrix1"

The diagram shows arrows indicating the flow of information from the 'Cost Center Mask Create' interface to the 'Cost Center Create' interface, and from the 'Cost Center Mask Create' interface to the summary table. The summary table is divided into two sections: 'From GL Account' to 'To GL Account' and 'From Sub-Acct' to 'To Sub-Acct'.

EF-FFAS-210B

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

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

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

Project COA Mask

Project COA Mask

Project Mask Create

Project Matrix 1

Description	From	To
1002	100	200

Sub-Account Rules

From	To
101	150

Project Create

Project: ENG1
Description: Engineering
Project Administrator: [User]
Status Code: [Dropdown]
Retrieve SAF Structure from GL: [Checked]
SAF Structure Code: [Dropdown]
SAF Set on by: [User]
Project Mask Code: PrjMatrix1

From GL Account | **To GL Account**

"001" - "999"
"1002" - "2999"

From Sub-Acct | **To Sub-Acct**

"01" - "99"
"101" - "150"

From Cost Center | **To Cost Center**

"Dep1" - "Dep2"
"Dep6" - "Dep8"

Project Type COA Mask "PrjMatrix1"

QAD EF-FFAS-210C

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

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

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

Sub-Account Highlights

Sub-Account Highlights

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



EF-FFAS-130

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

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

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

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

Cost Center Highlights

Cost Center Highlights

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

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

Field	Value
Cost Center	2450
Description	Software Development
Cost Center Administrator	
Budget Group	10000
SAF Set on Date	
Cost Center Mask Code	8100
Active	☒
Retrieve SAF Structure from GL	☐
SAF Structure Code	
SAF Set on by	
SAF Defaults - SAF Concept Code	
SAF Defaults - SAF Code	



EF-FFAS-140

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

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

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

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

Project Highlights

Project Highlights

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



EF-FFAS-150

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

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

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

Use Project Create (25.3.11.1.1) to create project codes.

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

Supplementary Analysis Fields (SAFs)

Supplementary Analysis Fields (SAF)

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



EF-FFAS-160

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

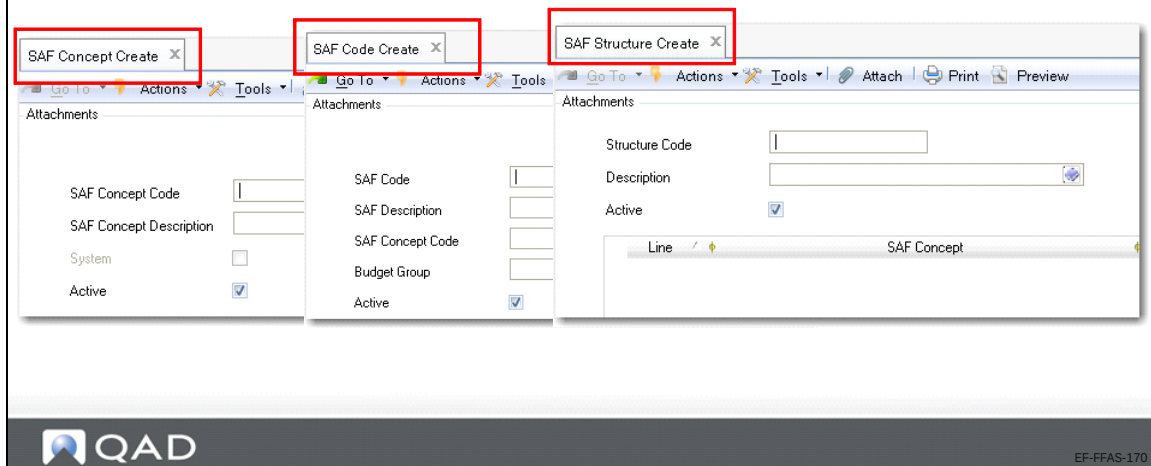
Using SAFs, you can analyze a single account in many different ways by filtering based on the SAF codes included in the postings to the account. A carefully planned set of SAF structures avoids the need to set up separate COA elements for individual reporting.

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

SAF Setup

SAF Setup

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



SAF analysis is managed through a combination of three elements:

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

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

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

The following system concepts are provided:

Product Line

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

Site

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

Item Type

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

Item Group

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

Region

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

Customer Type

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

Supplier Type

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

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

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

Creating SAF Concepts

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

Changing concepts has the following restrictions:

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

Creating SAF Codes

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

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

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

Creating SAF Structures

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

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

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

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

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

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

SAF Reporting and Related Views

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

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

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

SAF Structure Setup Example

SAF Example

Journal Entry View X

Go To Actions Tools Attach Print Preview

Attachments

Year: 2010 09 Posting Date: 09/30/2010 Additional GL Numbering Date: 09/30/2010

Daybook Code: WQMVAR 000000012 Layer Type: OFFICIAL Save As Template: ☐

Description: MATL-VAR 0510010 Template Code: Replacement: ☐

Original Posting Reference: Sequence Number: 000000000 Reversal: ☐

Second Description:

GL Account	Sub-Account C	Cost Ce	Description	Trans Curr	TC Debit	TC Credit
5040	Mech		MATL-VAR 051001	USD	0.00	6.89
1550	Mech		MATL-VAR 051001	USD	6.89	0.00

Sub-Account Code: Mech Sub Account Description: Mechanical

SAF Concept Code: SAF Code:

Item Type: Supply

Product Line: 22

Site: 10-300

Here we find the site, the product line, the item type as well as the work-order number that are at the origin of this variance.



EF-FFAS-180

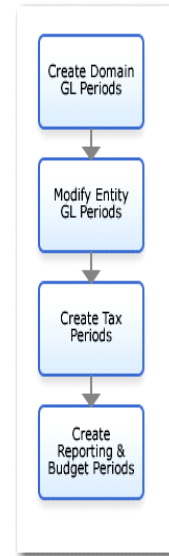
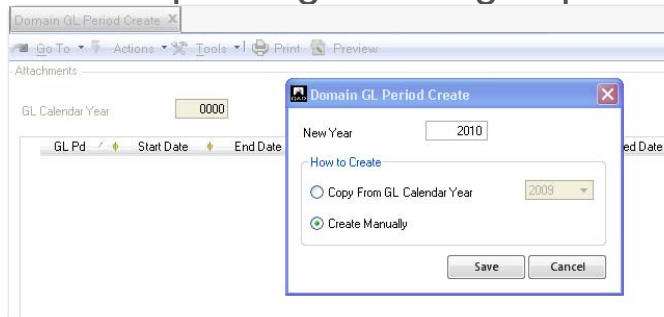
The example shows a work order material variance posting and the SAF information carried for the item, product line, and site.

This example is discussed in more detail in Chapter 18, “Work Order Posting” on page 423.

GL Calendar and GL Period Setup

GL Calendar and GL Periods Setup

- GL Calendar
 - Domain level, copied to entities
 - Copy from previous year
- Tax Calendar
 - Entity based
- Separate reporting & budget periods



EF-FFAS-190

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

By default, the GL calendar year consists of twelve monthly GL periods. Each GL period does not have to correspond to a calendar month. You can define custom start and end dates for each GL period to correspond with your accounting cycles, and the GL calendar year can exceed twelve calendar months in length. The GL calendar year is defined at the domain level; all entities within a domain use the same GL calendar year definition. The system contains two functions related to GL calendars and periods:

- Use Domain GL Period activities (25.4.1.1) to create, modify, and view the GL calendar year and its related GL periods for a specific domain. The GL periods defined at the domain level are copied to all entities linked to the current domain.
- Entity GL Period activities (25.4.2) let you apply GL period settings to individual entities and lets you lock, unlock, report, and undo reporting for GL periods per entity. We will learn about this function in more details in a separate section of this training class.

Two other system functions can be used to define specialized calendars:

- Use Tax Period Create (25.4.5.1) to define entity based calendars for tax reporting periods. When defined, closing a tax period prevents additional tax transactions from being posted.
- Use Budget Report Period Create (25.4.5.1) to define periods used within the budgeting area. The Budget functionality is discussed in detail in a financials advanced class.

Operational Accounting Defaults

Operational Accounting Defaults

- New menus in QAD Enterprise Edition
 - Logistics Op Accounting Control
 - Inventory Accounting Control
 - Requisition Accounting Control
 - Supplier Consignment Accounting Control
 - Purchasing Accounting Control
 - Sales Order Accounting Control
 - Cust Sched Shipper Accounting Control
 - Sales Quote Accounting Control
 - SSM Accounting Control
 - Work Order Accounting Control
 - Advanced Repetitive Accounting Control
 - Domain Account Control



EF-FFAS-220

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

This separation facilitates the segregation of responsibility so that financial personnel can manage the settings that reflect financial and accounting decisions

US Exercise: Create GL Accounts

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

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

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

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

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

General				
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 Tab				
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
Default Intercompany			10-USA-CO	10-USA-CO
Fixed Intercompany				
Quantity	No	No	No	Yes
GL Account Unit of Measure				HRS
Currency Tab				
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 Tab				
Analysis Type	None	None	Both	Both
Analysis Limit			Excluding each other	Excluding each other
Default Cost Center			Adm	Adm
Default Project				
SAF Structure Code			Sales	
Sub-Account	No	No	Yes	Yes
Default Sub-Account			DefSubAct	DefSubAct
Report Link Tab				
GL Account				
Shared Set Code				
GL Description				
Banking Tab				
Entity Code				
Default				
Bank Format				
Bank Account No				
Business Relation Code				
Active				
SWIFT Code				
Branch				
Own GL Account				
Banking Daybook Profile				
AP Discount Account				
AR Discount Account				

Cash Tab				
Cash Received Daybook Profile				
Cash Paid Daybook Profile				

EMEA Exercise: Create GL Accounts

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

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

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

General					
GL Account	12000	12250	30005	35075	15010
GL Descriptions	Petty cash GBP	Current Bank EUR	Sundry Inventory	Sundry transfers	Suppliers Exp notes
GL Type	Cash	Bank	Inventory	Open item	Supplier control
System Type					
Active	Yes	Yes	Yes	Yes	Yes
Budget Group					
Budget Enabled	Yes	Yes	Yes	Yes	Yes
Category	Asset	Asset	Asset	Asset	Liability
Posting Tab					
Balance/P&L	Balance	Balance	Balance	Balance	Balance
Debit/Credit	Debit	Debit	Debit	Debit	Credit
Auto/Manual	Manual	Manual	Auto	Manual	Auto
Intercompany Account	No	No	No	No	No
Default Intercompany					
Fixed Intercompany					
Quantity	No	No	No	No	No
GL Account UM					
Currency Tab					
Base Currency Only					
Currency Code	GBP	EUR			
Revaluation GL					
TC Revaluation in BC	None	Revaluation Rate	None	None	None
Rate Type for Revaluation in BC					
TC Revaluation in SC	None	Revaluation Rate	None	None	None
Rate Type for Revaluation in SC					
Consolidation Method	Current exchange Rate	Current exchange rate	Current exchange rate	Current exchange rate	Current exchange rate
Exchange Rate Type					
Analysis Tab					
Analysis Type	None	None	None	None	None
Analysis Limit					
Default Cost Center					
Default Project					

SAF Structure Code					
Sub-Account	No	No	No	No	Yes
Default Sub-Account					DefSubAct
Report Link					
GL Account					
Shared Set Code					
GL Description					
Banking					
Entity Code		22UKCO			
Default		Yes			
Bank Format		XX			
Bank Account No		888777			
Business Relation Code					
Active		Yes			
SWIFT Code					
Branch					
Own GL Account					
Banking Daybook Profile		BEEUR			
AP Discount Account	5700	5700			
AR Discount Account	4220	4220			
Cash					
Cash Recv Daybook Profile	CASHIN				
Cash Paid Daybook Profile	CASHOUT				

General				
GL Account	17102	19625	80500	41000
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
Posting Tab				
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
Default Intercompany			22UKCO	22UKCO
Fixed Intercompany				
Quantity	No	No	No	Yes
GL Account UM				HRS

Currency Tab				
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 Tab				
Analysis Type	None	None	Both	Both
Analysis Limit			Excluding each other	Excluding each other
Default Cost Center			Adm	Adm
Default Project				
SAF Structure Code			Sales	
Sub-Account	No	No	Yes	Yes
Default Sub-Account			DefSubAct	DefSubAct
Report Link				
GL Account				
Shared Set Code				
GL Description				
Banking Tab				
Entity Code				
Default				
Bank Format				
Bank Account No				
Business Relation Code				
Active				
SWIFT Code				
Branch				
Own GL Account				
Banking Daybook Profile				
AP Discount Account				
AR Discount Account				
Cash Tab				
Cash Recv Daybook Profile				
Cash Paid Daybook Profile				

Chapter 16

GL Period Closing Process

GL Period Closing Functionality Overview

Closing Functionality Overview

- Period statuses and period marks
- Application areas
- Consistency checks
- GL period closing
- GL calendar year closing
- Manual postings to tax accounts



EF-GLPC-020

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

In this chapter, we will learn about the GL period (month) closing process and the year-end closing process in QAD Enterprise Applications.

We will review period statuses and period marks, and how they change through the process. We will also look at locking periods by application area.

Period Status and Period Marks

Period Status and Period Marks

- Open
 - All transaction postings allowed
- Locked
 - Monthly closing, No posting
- Reported
 - Monthly closing, No posting
- “Frozen”
 - Year closing
- Period status change triggers period mark change (audit trail)



EF-GLPC-030

Period Status

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

Open

This is the normal period status and applies when no closing date has been set for the period. Transactions are normally posted during open periods, except when the period has been Locked and reopened. The closing date for the period is automatically set once you begin the process of closing the period. Some entities within a domain may need to keep a GL period open for longer than other entities in the same domain.

Locked

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

Reported

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

Frozen

When you run Year End Closing, the Frozen status is automatically applied to the all periods of the year. A Frozen period cannot be reopened.

Open Period

Transaction posting allowed.

Period Marks

Report periods are further controlled using period marks, which identify the period during which a transaction was posted and also describe the status of the period in GL reporting. In addition, period marks are used to identify tax periods. Period marks are system defined.

The Open period mark identifies periods during which transactions have been posted between the normal start and end dates. Transactions can then be reviewed and the period closed to normal activity. The following auto-generated period marks are also supplied with the system:

- Close Report Period
- Undo Close Report Period
- Report Period
- Undo Report Period

These marks are automatically applied during the monthly closing and reporting process. Transactions posted during each of these periods are subsequently identified by the corresponding system period mark. The Close Report Period mark is auto generated when you close a report period, and date stamps the period end. The Undo Close Report Period mark is then auto generated if the period is reopened.

Application Areas

Application Areas

- Lock areas separately
 - AP Ledger, Sales Ledger, Inventory
 - Locking GL locks all areas including fixed assets
- Global period status change
 - Period lock, locks all application areas
 - Reopen selected application area
- Application area status change
 - Application area locked, no impact on other areas
 - Application area reopen, no impact on other application areas, but global status is open



EF-GLPC-040

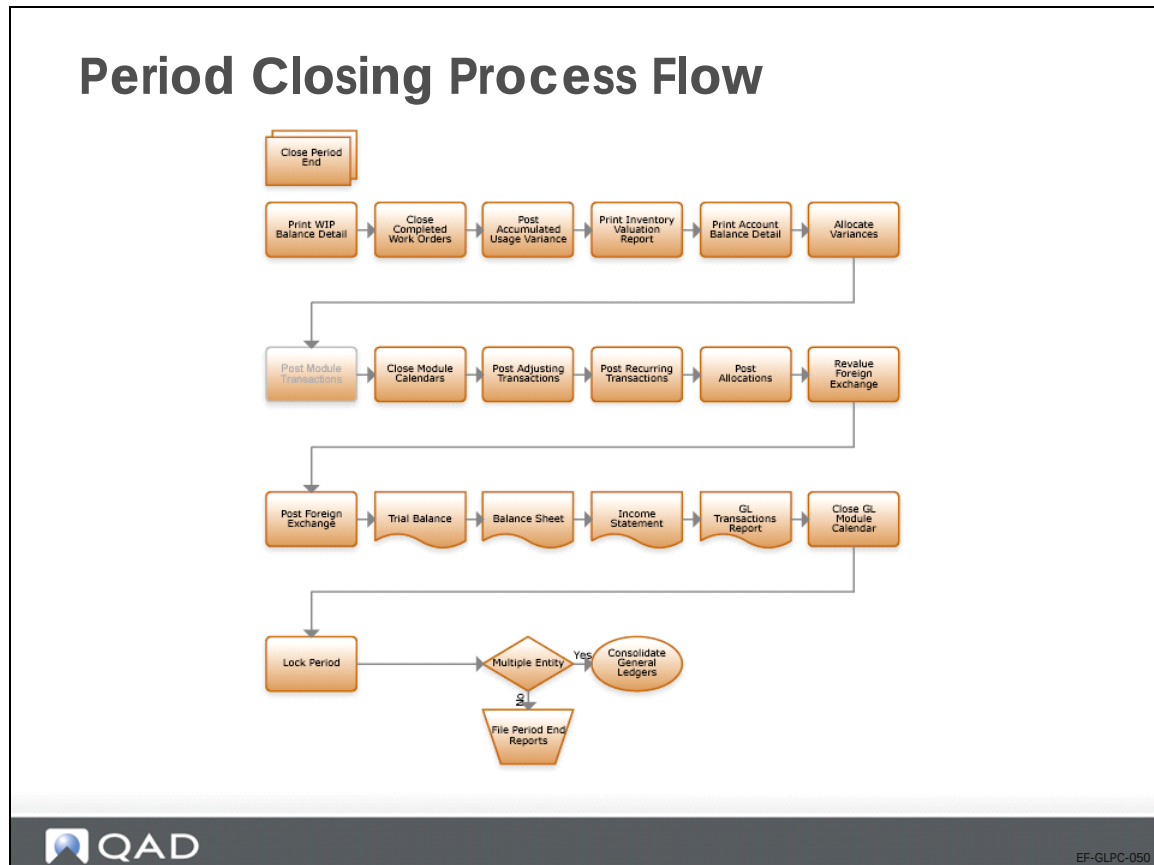
Lock GL periods by GL transaction type. For example, prevent any more sales order shipments, while still allowing banking entry in the GL. The GL module overrides the other area modules, and when locked, prevents transactions of any type for the period.

The application areas that can be locked separately are:

- GL, which locks all areas including fixed assets.
- AP, which locks the AP sub-ledger in Financials.
- Sales, which locks the AR sub-ledger in Financials. This also prevents the posting of sales invoices through Invoice Post and Print and posting of any sales order transaction in Operational Transaction Post.
- Inventory, including all inventory (IC) and work order (WO) transactions created in operational functions.

When an application area is open (indicated by a selected check box) for a period, you enable transactions of that type to be posted during the GL period. The area check box acts as a switch, opening or locking the period to transactions of that type. You can update the area switch only when the period is open.

Period Closing Process Flow



The ability to filter based on the daybook code facilitates the period closing process because you can easily identify and review transactions of a certain type and identify unusual activity.

Before you lock a GL period, verify that there are no unposted transactions, such as those created in the operational activities. You can print the Unposted Transaction Register (25.13.14) to identify transactions not yet posted to the general ledger.

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

Consistency Checks

Consistency Checks

- A series of validations that verify the integrity of the Financials tables.
- You can run three categories of consistency check:
 - Technical
 - Business
 - Other
- Technical and business checks are prerequisites to closing a GL period.



EF-GLPC-052

Consistency Checks Execute (25.21.3.1) lets you run a series of validations that verify the integrity of the Financials tables.

You can run three categories of consistency checks:

- Technical

The technical checks focus on the referential integrity of the Financials tables, ensure that mandatory fields are populated, and ensure that redundant fields are populated and consistent.

The list of technical consistency checks is fixed. You cannot select to run certain technical consistency checks and not others.

- Business

The business checks focus on the consistency of the tables from a business point of view, such as general ledger and sub-ledger administration. For example, the checks verify that the balance of a customer control account equals the open customer invoices posted to the account.

The list of business consistency checks is fixed. You cannot select to run certain business consistency checks and not others.

- Other

You can modify the other validations using non-intrusive customization to include any required additional consistency checks. The Numbering Completeness check is included in this section by default, but can be removed using non-intrusive customization.

Running the technical and business consistency checks is a prerequisite to closing a GL period. If these consistency checks have not been run for a GL period, the system displays an error if you attempt to set the GL period to reported. When you have run the consistency checks for a GL period, you can set the period to reported, even if the consistency check run found errors. Setting a GL period to reported is a manual process, and you must decide whether to proceed with the closure based on the results of the consistency checks.

Consistency Checks Execute

Consistency Checks Execute

Type	Result	Start Date	Start Time	Duration	Error Count	Version
Consistency Check	Not Executed		00:00:00	00:00:00.0	0	FIN 00.393
Technical	Not Executed				00:00:00	00:00:00.0
Business	Not Executed				00:00:00	00:00:00.0
GL balance versus Transactions	Not Executed		00:00:00	00:00:00.0	0	
Postings Balance Validation	Not Executed		00:00:00	00:00:00.0	0	
Cross-Company accounts	Not Executed		00:00:00	00:00:00.0	0	
AP sub-administration with GL	Not Executed		00:00:00	00:00:00.0	0	
AR sub-administration with GL	Not Executed		00:00:00	00:00:00.0	0	
DHist CHist reconciliation with Din	Not Executed		00:00:00	00:00:00.0	0	
Banking Entry	Not Executed		00:00:00	00:00:00.0	0	
AP payments with GLs of type Su	Not Implemented		00:00:00	00:00:00.0	0	
AR payments with GLs of type Cu	Not Implemented		00:00:00	00:00:00.0	0	
Tax sub-administration with GLs o	Not Implemented		00:00:00	00:00:00.0	0	
GL Open Items with GL	Not Executed		00:00:00	00:00:00.0	0	
Unmatched invoices	Not Implemented		00:00:00	00:00:00.0	0	

Processing
Execute In Batch ☐ Batch Code

QAD EF-GLPC-054

You can run the consistency checks from the menu or as a GoTo option from the Entity GL Period functions.

When you set a period to reported, the system displays a warning if previously run consistency checks for that period are out of date. The out-of-date warning reminds you to rerun outdated consistency checks whose results have limited value from an audit perspective.

You can run the consistency checks in interactive mode in real time, or you can schedule the consistency checks to run in batch in the background. When you run in interactive mode, the Consistency Checks Execute screen is automatically updated with the results from the run.

When you run the consistency checks in interactive mode, a progress bar is displayed, indicating that the checks are ongoing.

Consistency Check Results

Consistency Check Results

Type	Sequence	Result	CompanyCode	Start Date	Start Time	Duration	Error Count	Version
Consistency Check	7	Failed	300P	18/01/2011	12:23:07	00:03:11.876	31	FIN.00.430
Technical		Failed		18/01/2011	12:23:07	00:02:57.888		
Technical Consistency Check		Failed		18/01/2011	12:23:07	00:02:57.888	10	FIN.00.430.1
Other		Failed		18/01/2011	12:26:05	00:00:01.369		
Numbering completeness		Failed		18/01/2011	12:26:05	00:00:01.369	4	FIN.00.430.1
Business		Failed		18/01/2011	12:26:06	00:00:12.618		
DHstCHist reconciliation with DInvoice CInvoice		Failed		18/01/2011	12:26:06	00:00:00.156	3	FIN.00.430.1
Banking Entry		Passed		18/01/2011	12:26:06	00:00:00.626	0	FIN.00.430.1

QAD

EF-GLPC-056

When the consistency checks are complete, the Results, Start Date, Start Time, and Duration fields in Consistency Checks Execute are updated with the relevant values. Validations that fail are displayed in red.

The run parameters and results of each validation run are stored in a text file, which is attached to the entity GL period record. You can view the text file as an attachment in the Entity GL Period functions.

You can also use the Consistency Checks report (25.21.3.2) to display the results of a consistency check validation run in report format.

Period Lock

Period Lock

Entity GL Period Lock

Go To Actions Tools Print Preview Attach

GL Calendar Year	2011 02	GL	☐
GL Period Type	Normal	Purchases	☐
Status	Open	Sales	☐
Start Date	02/01/2011	Inventory	☐
End Date	02/28/2011		
Mark	2011/2 Open at 02/03/10 12:28:17.		

Consistency Check Lock GL Period Close

EF-GLPC-060

Use Entity GL Period Lock (25.4.2.3) to lock one or more application areas.

You can run consistency checks from Entity GL Period Lock.

Lock by Application Areas—Example**Lock by Application Areas - Example**

Period	01/11	02/11	03/11	04/11
Global Period Status	Open	Open	Open	Locked
AP Ledger	Open	Open	Locked	Locked
AR Ledger	Open	Locked	Locked	Locked
...	Open	Open	Locked	Locked



EF-GLPC-070

This slide illustrates how to lock GL periods by area and by period.

Period Report

Period Report

Entity GL Period Report

Go To Actions Tools Print Preview Attach

GL Calendar Year: 2011 01

GL Period Type: Normal

Status: Locked

Start Date: 01/01/2011

End Date: 01/31/2011

GL ☐

Purchases ☐

Sales ☐

Inventory ☐

Mark: 2011/1 Locked at 02/10/11 16:16:33.

Consistency Check Report GL Period Close

QAD EF-GLPC-080

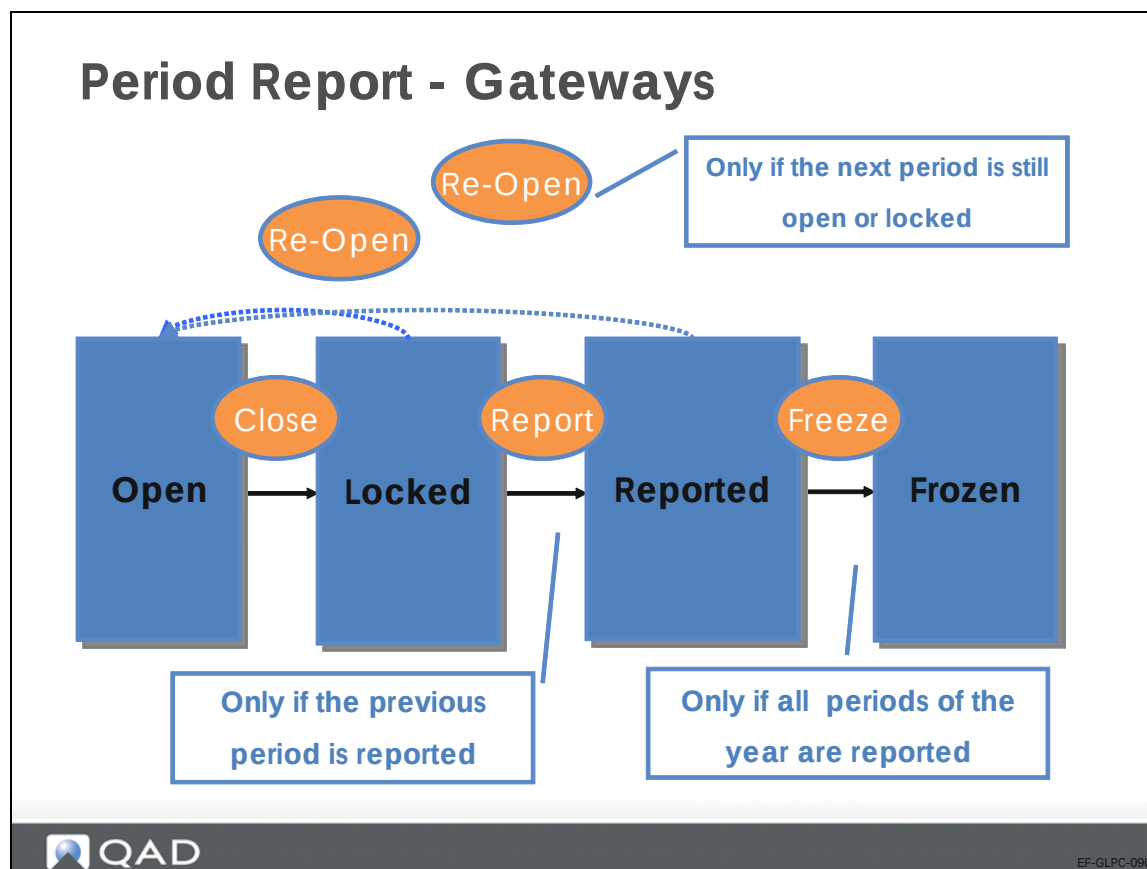
Use Entity GL Period Report (25.4.2.5) when you are ready to report a locked period.

Note that the period mark specifies the date and time the specific period was locked.

You cannot set a GL period to reported if consistency checks have not been run for that period. You can run the consistency checks from Entity GL Period Report.

When you have run the consistency checks for the GL period, you can set the period to reported, even if the consistency check run found errors.

Period Report—Gateways



When you lock or report GL periods, the ability to undo these changes is restricted. The diagram illustrates the locking and reporting possibilities.

For example, only locked periods can be reported, and only a GL calendar year that is entirely reported can be frozen.

Conditions for Period Status Change

Conditions for Period Status Change		
From Status	To Status	Condition
Open	Locked	No unposted transaction
	Reported	n/a
	Frozen	n/a
Locked	Open	Anytime
	Reported	No unposted operational transactions Consistency check OK Previous period is reported
	Frozen	n/a
Reported	Open	Next period is not reported
	Locked	n/a
	Frozen	All periods are reported Other conditions applicable to year closing
Frozen	No status change allowed	

Other conditions apply to GL period status changes, as listed in the above table by status.

Accounting Year Closing

GL Calendar Year Closing

- Automatic P&L transfer to Balance Sheet (Y/N)
- Conditions for status open → frozen
 - All periods of the year reported
 - Previous year status frozen
 - Next GL calendar year available
 - History tables up to date
 - Total of all accounts (Trial Balance) = zero
 - Optional check : P&L balance = zero (if “no automatic P&L transfer to BS”)



EF-GLPC-110

When you close the GL calendar year, the system changes the status of all of its GL periods to frozen, and marks all periods as reported.

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

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

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

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

Manual Postings to Tax Accounts

Manual Postings to Tax Accounts

- Basic rule
- Business case
- Approaches
- Additional offset accounts
- Dummy tax code
- Best practice



EF-GLPC-120

This section describes how to balance your tax accounts as part of your end of month closing.

Basic Rule

Basic Rule

- For a tax account, any posting
 - AR
 - AP
 - PO
 - Journal Entry
- Must have PostingVAT records associated with them



EE-GLPC-130

The basic rule in EE Financials for tax accounts is that any postings from AR, AP, purchasing, or journal entries must have PostingVAT records associated with them.

Business Case

Business Case for Accrual and Payment of Taxes

- Perceived need to transfer the net balance of input and output tax to a single account to hold the accrued liability to the tax authorities.
- Payment can be made against this separate accrual account, which is normally a standard GL account.



EF-GLPC-140

The following is the business case for the accrual and payment of taxes.

There is a perceived need to transfer the net balance of input and output tax (and, potentially, other taxes that can be offset, for example, advanced corporation tax) to a single account to hold the accrued liability to the tax authorities.

You can pay these taxes against the separate tax accrual account using the existing payment functions or by journal entry, when offsetting against other taxes. The tax accrual account is normally set up as a standard GL account.

Possible Approaches

Possible Approaches

- Use one or two additional offset accounts
 - Post the reverse of the balance of the relevant tax accounts
- Set up a “dummy” tax code
 - Use the same input and output VAT accounts
 - Post actual tax transactions

Additional Offset Accounts

Additional Offset Accounts

- Create standard accounts
- Post the reverse of the balance of the relevant tax accounts
- Show these offset accounts in the same location on the balance sheet as the output and input tax accounts (for reporting purposes)
 - Disadvantage: actual balances of input and output tax accounts never actually decrease



EE-GL PC-160

This slide outlines the approach for creating offset accounts.

Dummy Tax Code

Dummy Tax Code

- Set up a tax rate in each domain for “tax centralization” purposes only
- Can also be used for:
 - Year-End closing
 - Consolidation
- Recommended approach



EF-GLPC-170

This approach is consistent with that followed in other functions that update tax accounts, such as GL Consolidation, and Year-End Closing Execute, both of which already use dummy tax codes when making postings to tax accounts:

The approach outlined on the slide is recommended.

Best Practice: Dummy Tax Code**Best Practice: Dummy Tax Code**

- Set up tax parameters
- Report on tax account balances
- Clear out the balances of tax accounts

Set Up Tax Parameters

Set Up Tax Parameters

- Country Tax Zone
- Tax Class, Type, Usage
- Tax Environment
- Tax Box, Group
- Tax Rate



EF-GLPC-190

Create a separate set of parameters:

- Country: ZZ (ZZ Tax Centralization)
- Tax Zone: ZZ (ZZ Tax Centralization)
- Tax Class: CEN (Tax Centralization)
- Tax Type: TAX-CENTR (Tax Centralization)
- Tax Usage: CENTRAL (Tax Centralization)
- Tax Environment: ZZ-CENTRAL (ZZ Tax Centralization)
 - Ship-From: ZZ
 - Ship-To: ZZ TxC:
 - CEN Tax Type: TAX-CENTR
- Tax Box
 - ZZ-Base (Base Tax Centralization)
 - ZZ-Tax (Tax Box Centralization)
- Tax Group: ZZ-TAX-CENTR (Tax Centralization)
 - Tax Box: ZZ-Base, ZZ-Tax

Tax Parameters

Tax Rate

Tax Rate Maintenance

Go To Actions Copy Print Preview

Tax Type: TAX-CENTR
Item Tax Class: CEN
Tax Usage: CENTRAL
Effective Date: 1/1/2006
Tax Code: CENTRAL

Tax Rate: 100.00%
Description: Tax centralisation
Tax-By-Line: ☐
Expiration Date:
Tax Base:

Minimum Taxable Amount: 0.00
Maximum Taxable Amount: 999,999,999.99
Percent Recoverable: 0.00%
Tax Method: 01
Update Tax Allowed: ☒
Allow Tax Included: ☐
Discount Tax at Payment: ☐
Discount Tax at Invoice: ☐
Accrue Tax at Receipt: ☐
Accrue Tax at Usage: ☐
Sales Tax Absorbed: ☐
AP Tax Retained: ☐

Tax Reason:
Suspended/Delayed Taxes: ☐
Domestic Reverse Charge: ☐
Comments: ☐

Report on Tax Account Balances

Report on Tax Account Balances

GL Account Browse for Trial B. x

Actions Print Add to Favorites Chart Chart Designer Refresh Stored Searches

Search (9)

Entity Code equals EMEA-DE - Search

Year/GL Period range 200701 - 200712 -

GL Type equals Tax Account -

Summarize Project (equals yes -

Summarize Currency equals yes -

Summarize Daybook equals yes -

Viewing 1 - 6 of 6 Records per page: 100

Entity Code	GL Account	GL Description	BC Balance	Sub-Account	GL Category	Cost Center
EMEA-DE	13100	AP Tax	88,419.59		Asset	
EMEA-DE	13200	Sales Tax CN Account	266.00		Asset	
EMEA-DE	13400	AP Tax Retained	-66,123.96		Asset	
EMEA-DE	17100	Sales Tax	-19,141.44		Liability	
EMEA-DE	17200	AP Tax CN Account	-159.66		Liability	

Summaries: Sum = 3,260.53



EF-GLPC-210

You can use the Trial Balance View to view tax account balances.

Clear Out Tax Account Balances

Clear Out Tax Account Balances

GL Account Browse for Trial B... Journal Entry Create X

Go To Actions Tools Attach Print Preview

Attachments

Year: 2007 13 Posting Date: 12/31/2007

Daybook Code: JE 000000001 Layer Type: OFFICIAL Save As Template

Description: TAX centralisation Template Code: Replacement

Original Posting Reference: Sequence Number: 000000000 Reversal

GL Account	GL Description	Sub-Account C	Cost Ce	Description	Trans Curr	TC Debit	TC Credit
17200	AP Tax CN Accou			TAX centralisation	EUR	159.66	0.00
17100	Sales Tax			TAX centralisation	EUR	19,141.44	0.00
13400	AP Tax Retained			TAX centralisation	EUR	66,123.96	0.00
13200	Sales Tax CN Acc			TAX centralisation	EUR	0.00	266.00
13100	AP Tax			TAX centralisation	EUR	0.00	88,419.59
13000	TAX Receivable			TAX centralisation	EUR	3,260.53	0.00



EF-GLPC-220

The slide shows journal entries used to net tax account balances.

Chapter 17

Transaction Posting Basics

Overview

Overview

- Transactions posting flow
- Journal Entries
 - Process flow
 - Highlights
- Posting transactions from other modules
 - Setup prerequisites
 - Process flow



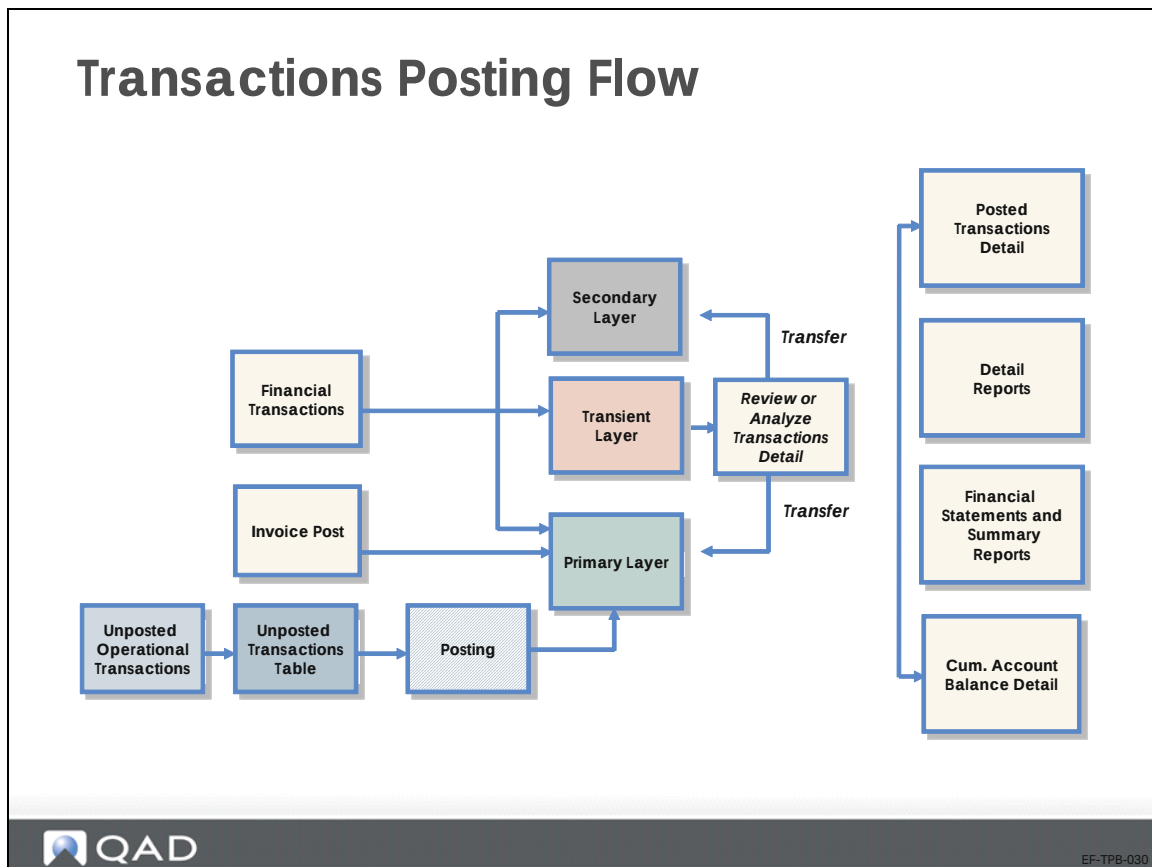
EF-TPB-020

This section provides a high-level overview of the transaction posting process. It describes how financial transactions are created, and whether transactions originate from operational activities or from Financials.

Other financial transactions topics include posting templates, reversing transactions, recurring entries, transaction mass layer transfer, open item adjustments, revaluation, and cross-company transactions. These topics are described in detail in “General Ledger Transactions” on page 475.

This section concentrates on basic journal entries and posting transactions from other modules.

Transactions Posting Flow

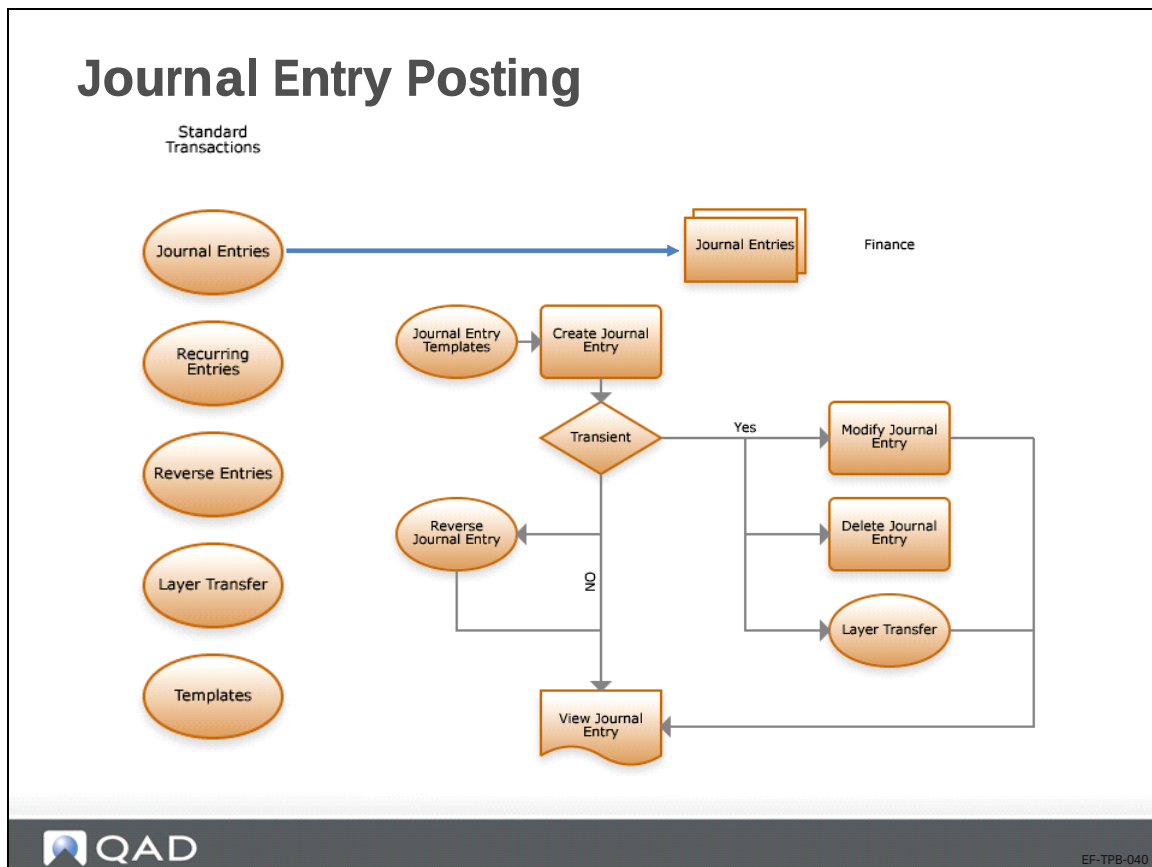


Financial transactions are recorded in the Financials module. These transactions can be posted in one of the three system-defined accounting layer types. This depends on the daybook in which the transaction is posted.

Most operational GL transactions originate from manufacturing, purchasing, and inventory movements, and are created as unposted transactions. These transactions must be posted to the primary layer (labelled “official” in the system) to update GL account balances.

Customer invoices based on sales orders are posted directly to the primary layer of the general ledger.

Journal Entry Posting



You can use Journal Entry Create (25.13.1.1) to make manual postings directly in Financials. The daybook you specify determines the layer in which the transaction is posted.

Only transactions in a transient layer can be modified, deleted, or transferred to another layer.

You can reverse journal entries posted in layers other than the transient layer. You can view all posted transactions in Journal Entry View (25.13.1.3).

Journal Entry Posting Highlights

Journal Entry Posting Highlights

- Import or export with Excel integration
- Modify or delete only in transient layer
- Reverse only in official and management layers
- Save as draft option
- Templates
- Journal Entry View (25.13.3.1)
 - View transactions posted to financial, operations and external daybooks



EF-TPB-050

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

You can save journal entries in draft format when Draft Instances is selected in Change System Settings (36.24.5.1). When you save a record in draft format, none of the system validations are run. You can then return later to complete the record by choosing the Journal Entry Browse Drafts activity (25.13.1.13) and selecting the record you want to finish from the list.

If you plan to record the same journal entry on a regular basis, posting templates let you save the posting details for reuse. Templates are usually used with recurring entries, in which the template is posted at recurring intervals according to a predefined schedule. However, you can use templates for any type of repetitive posting.

Journal Entry View (25.13.1.3) allows you to review any posted transaction. The filters, such as daybook, layer, or posting date, help you find what you are looking for.

When journal entries are posted to the primary or secondary layer, you cannot modify or delete them—you can only reverse the entries. You can modify or delete journal entries in the transient layer.

Journal Entry Create Menu

Journal Entry Create

Journal Entry Create

Go To Actions Tools Attach Print Preview

Attachments

Year
2010
11

Daybook Code
JE
000000001

Description
Posting

Original Posting Reference

Second Description

Posting Date
11/19/2010

Layer Type
OFFICIAL

Template Code

Sequence Number
000000000

Additional GL Numbering Date

Save As Template

Replacement

Reversal

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

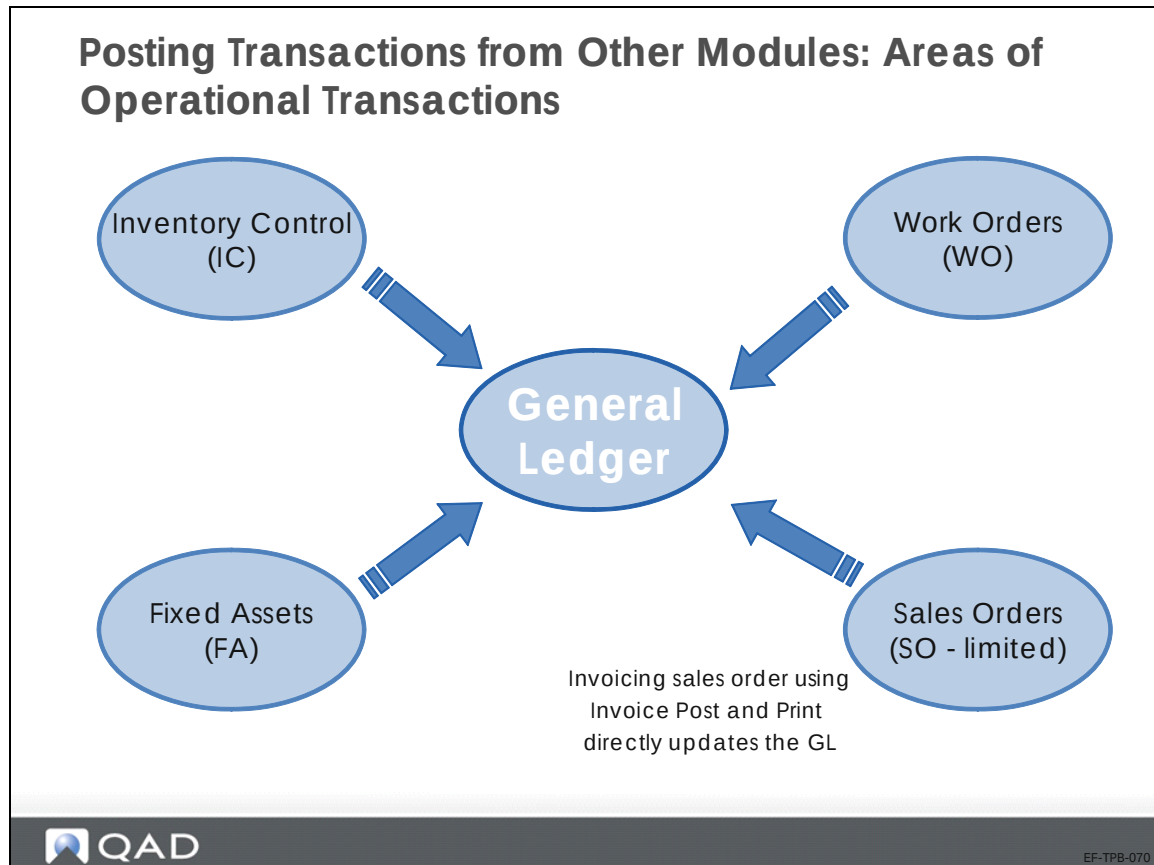
EF-TPB-060

Use Journal Entry Create (25.13.1) to record financial transactions.

When you select the Replacement field, the journal entry is a replacement posting for correction and triggers a reversal posting and a new, correct posting. In this case, the original posting reference is displayed in the appropriate field.

To create a journal entry template, select the Save as Template field. To use an existing template, enter the appropriate template code in the Template field.

Areas of Operational Transactions



In a production system, most GL transactions originate from operational transactions, such as manufacturing, purchasing, and inventory movements. These operational transactions fall into four areas:

- Inventory Control (IC)
- Work Order (WO)
- Fixed Assets (FA)
- A limited number of sales order (SO) transactions

Setup Prerequisites

Posting Transactions from Other Modules: Setup Prerequisites

- Validated GL accounts
 - Domain/Account control: Verify GL Accounts = Yes
- Daybooks
 - Default Daybook Maintenance
- Currency and exchange rate
 - IC & WO transactions: Inventory Exchange Rate Type



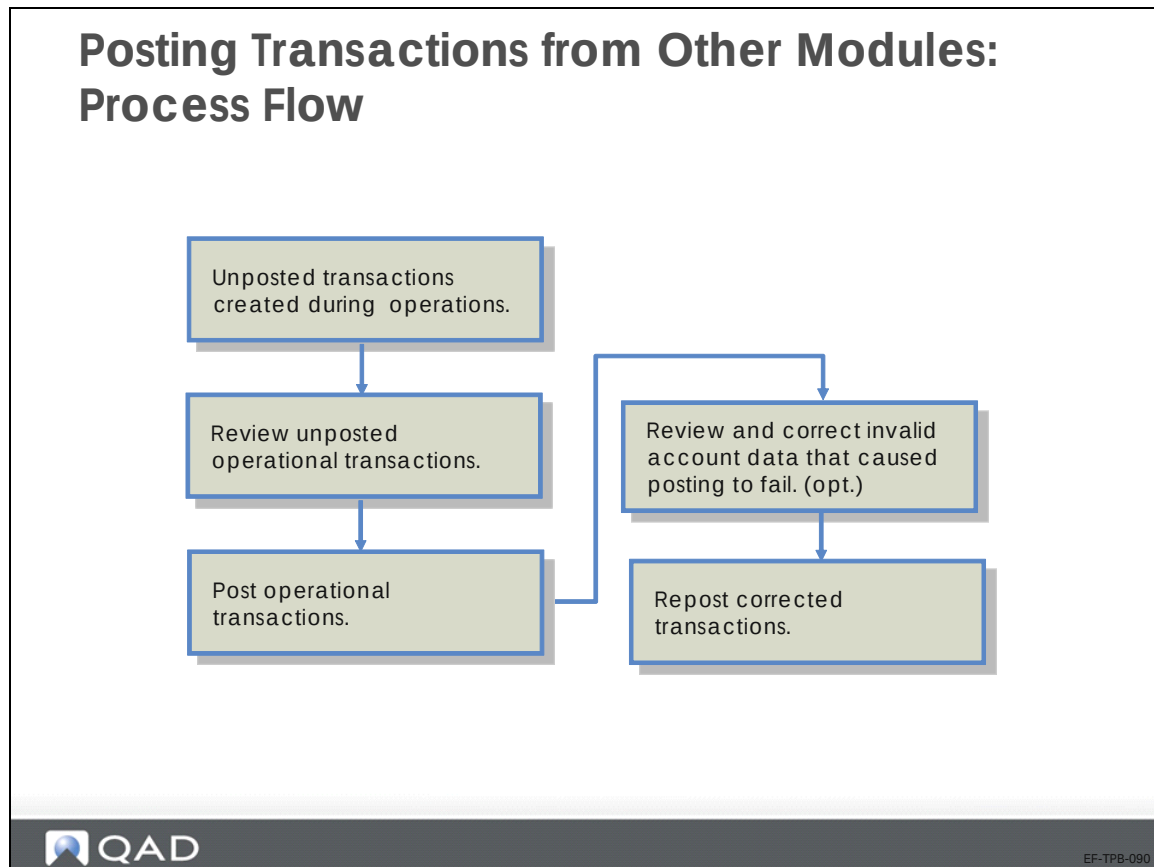
EF-TPB-080

Before you can post operational transactions, select the Verify GL Accounts field in Domain/Account Control (36.9.24). This setting indicates that valid default GL accounts, sub-accounts, and cost centers, if applicable, have been identified at domain level.

At a minimum, you must specify the system daybook in Default Daybook Maintenance (25.8.4). You must create the system daybook in Financials with a type of Journal Entries, link it to the primary layer, and assign a daybook control type of Operational.

A specific system exchange rate type is available for IC and WO transactions. If no exchange rate is defined for these, the system defaults to using the accounting exchange rate.

Process Flow



The process flow for posting transactions from other modules is as follows:

Review unposted transactions

- Unposted Transactions Inquiry (25.13.13)
- Unposted Transactions Register (25.13.14)
 - You can only select the Unbalanced option.

Post operational transactions to the GL

- Operational Transaction Post (25.13.7)
 - Select by entity, date, and daybook.

Correct invalid data

- Unposted GL Transaction Correction (25.13.16)
 - Update the account, sub-account, cost center, or project.
 - Generate an audit trail for the changes (optional) by selecting the GL Transaction Audit Trail field in GL Op Transaction Control.

Chapter 18

Work Order Posting

Overview

Overview

- Work order processing demo
 - Setup
 - Scenario
 - Processing demo

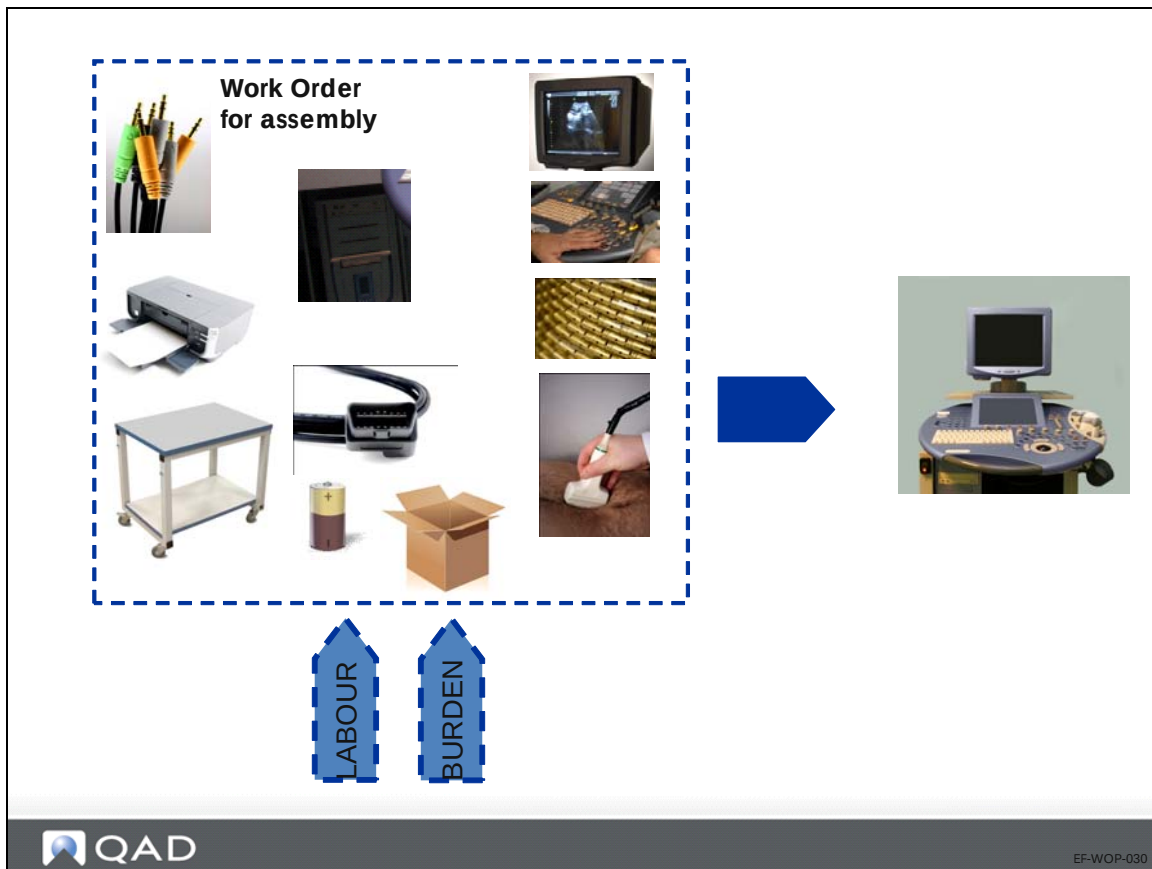


EF-WOP-020

The work order processing scenario used in this chapter shows how operational transactions generate GL transactions, and how the transactions update GL balances in Financials.

The example in this chapter shows the work order process for a medical ultrasound manufacturer.

Work Order for Assembly



In order to assemble a medical ultrasound, you need components (standard connector, display, keyboard, protective casing, CPU, probe, moveable cart, monitor cable, printer, battery, shipping box), labor, and burden.

Setup

Setup

- WO Control Files
- Items
 - Manufacturing item: Medical Ultrasound
 - Components: Keyboard, CPU, probe, moveable cart, printer, durable plastic housing, standard connector, monitor cable, battery, shipping box
 - Includes item costs
- Product structure
 - Medical Ultrasound
 - 1 of component item listed
- Department
 - Accounts: Labor, Burden, Variances



EF-WOP-040

WO control files have been completed.

Both manufacturing and purchase items are set up, as well as the product structure.

Departments are created to identify the GL accounts to use.

Setup Prior to this Scenario

- Work Center
 - Labor Rate, Burden Rate
- Standard Operation and Routing
 - Processing time
- Cost Roll-Up's
 - Routing
 - Product Structure
- Daybooks
 - WOISS, WORCT, WOCLOSE, WO-MVAR
- Default Daybooks for transactions
 - ISS-WO, RCT-WO, WO-CLOSE, MATL-VAR
- SAF structures, SAF codes
 - Product line, Site, Item type

Business Case Scenario

Business Case Scenario

- Entity: 10-USA-CO
- Site: 10-100
 - Production site
- Work Order for 1 ultrasound
 - Use 1 extra connector
 - Review postings after each processing step
 - Post postings to Financials
 - Review Journal Entries



EF-WOP-060

This scenario uses more connectors than the standard quantity. This change causes a variance, and we will examine the postings that result from the variance.

Detailed Scenario

Detailed Scenario

- WO Maintenance (16.1)
- WO Release (16.6)
- WO Browse (16.2)
- Unposted Transaction Register (25.13.14)
- WO Component Issue (16.10)
- Unposted Transaction Register (25.13.14)
- WO Receipt (16.11)
- Unposted Transaction Register (25.13.14)
- WO Accounting Close (16.21)
- Unposted Transaction Register (25.13.14)
- Operational Transaction Post (25.13.7)
- Journal Entry View (25.13.1.3)



EF-WOP-070

After completing certain operational steps, run Unposted Transaction Register (25.13.14) to investigate the accounting impact of the variance.

Journal Entry View

Journal Entry View

Journal Entry View X

Go To Actions Tools Attach Print Preview

Attachments

Year: 2010 11 Posting Date: 11/02/2010 Additional GL Numbering Date: 11/02/2010

Daybook Code: WDISS 000000579 Layer Type: OFFICIAL Save As Template: ☐

Description: ISS-WD Medulta Template Code: Replacement: ☐

Original Posting Reference: Sequence Number: 000000000 Reversal: ☐

Second Description:

GL Account	Sub-Account C	Cost Ce	Description	Trans Curr	TC Debit	TC Credit
1550	Mech		ISS-WD Medulta	USD	21.48	0.00
Sub-Account Code Sub Account Description Mech Mechanical						
SAF Concept Code SAF Code						
Item Type ASSY						
Product Line 30						
Site 10-100						
GL Account	Sub-Account C	Cost Ce	Description	Trans Curr	TC Debit	TC Credit
1500	Mech		ISS-WD Medulta	USD	0.00	21.48

This will trigger the Journal Entry to carry additional (operational) information

QAD EF-WOP-080

Prior to generating the transactions, set up the Inventory WIP account with SAF analysis enabled, and with the SAF structure, Manufacturing (tracking details on Item Type, Product Line and Site). This setup triggers the journal entry to carry additional (operational) information.

Journal Entry View

Journal Entry View

Go To Actions Tools Attach Print Preview

Attachments

Year: 2010 09 Posting Date: 09/30/2010 Additional GL Numbering Date: 09/30/2010

Daybook Code: WOMVAR 000000012 Layer Type: OFFICIAL Save As Template: ☐

Description: MATL-VAR 0510010 Template Code: Replacement: ☐

Original Posting Reference: Sequence Number: 000000000 Reversal: ☐

Second Description:

GL Account	Sub-Account C	Cost Ce	Description	Trans Curr	TC Debit	TC Credit
5040	Mech		MATL-VAR 051001	USD	0.00	6.89
1550	Mech		MATL-VAR 051001	USD	6.89	0.00

Sub-Account Code: Mech Sub Account Description: Mechanical

SAF Concept Code: SAF Code:

Item Type: Supply

Product Line: 22

Site: 10-300

Here we find the site, the product line, the item type as well as the work-order number that are at the origin of this variance.



EF-WOP-090

The material usage variance account provides the necessary details to investigate the origin of the variance (item type, product line, site, and work order number).

SAF Code Transaction Detail

SAF Code Transaction Detail

USA DIVISION
Page 3 / 5

SAF 1-GL-Sub-Account	Year/OL Post Date Period	Voucher	Description	BC Debit	BC Credit Curr	TC Debit	TC Credit	Qty	Unit
	2010/11 11/02/2010	WOISS000000584	ISS-WVO Medulla	0.00	21.48USD	0.00	21.48	0.00	
	2010/11 11/02/2010	WOISS000000585	ISS-WVO Medulla	0.00	21.48USD	0.00	21.48	0.00	
	2010/11 11/02/2010	WOISS000000586	ISS-WVO Medulla	0.00	21.48USD	0.00	21.48	0.00	
	2010/11 11/02/2010	WOISS000000587	ISS-WVO Medulla	0.00	21.48USD	0.00	21.48	0.00	
	2010/11 11/02/2010	WOISS000000588	ISS-WVO Medulla	0.00	21.48USD	0.00	21.48	0.00	

ASSY	Assemblies	Opening Balance:	N/A	N/A	0.00
		Period Total:	214.80	0.00	
		Balance :	(214.80)		

1550	Inventory WIP	<i>Opening Balance:</i>	<i>N/A</i>	<i>N/A</i>	0.00
		<i>Period Total:</i>	<i>214.80</i>	<i>0.00</i>	

Mech	Mechanical	<i>Opening Balance:</i>	<i>N/A</i>	<i>N/A</i>	0.00
		<i>Period Total:</i>	<i>214.80</i>	<i>0.00</i>	

Transactions

	2010/11 11/02/2010	WOISS000000579	ISS-WVO Medulla	21.48	0.00USD	21.48	0.00	0.00	
	2010/11 11/02/2010	WOISS000000580	ISS-WVO Medulla	21.48	0.00USD	21.48	0.00	0.00	
	2010/11 11/02/2010	WOISS000000581	ISS-WVO Medulla	21.48	0.00USD	21.48	0.00	0.00	

Several reports on SAFs are available.
This one gives an overview of transactions
per site, per product line and per item type.

EF-WOP-10

When you run the SAF Code Transaction Detail report, select three grouping levels:

- 1 SAF1 (Site: 10-100)
- 2 SAF2 (Product Lines: 20, 30)
- 3 SAF3 (Item Type: Purchased Goods, Comp, Assy, Pack)

The GL account (1550) and the sub-account (mech) are at the lowest level of the grouping.

Related Views

- Further analysis with various reports, browses and related views



EF-WOP-110

You can use the same report to produce a different view by changing the grouping of data at runtime.

Other reports, such as the SAF Code Transaction Summary report, show the same data, but with a different level of detail.

In addition, you can use browses, such as the SAF Code View, as a starting point. From there, you can use the related views and reports option to further explore transactions with SAF codes.

Chapter 19

Foreign Currency Revaluation

Overview

Overview

- Concepts
- Setup
- Activities
- Hands-on exercise



EF-CR-010

In this chapter, you will learn about the foreign currency revaluation functionality in QAD Enterprise Applications. The chapter explains revaluation concepts and terms, revaluation setup, and revaluation transactions and related activities.

Currency Revaluation Concepts

Currency Revaluation Concepts Currency Definitions

- **Transaction currency (TC)**
 - Functional currency of the recorded transaction
- **Base currency (BC):**
 - Functional currency of the entity in which the transaction is recorded
- **Statutory currency (SC):**
 - Statutory currency of the domain, used for reporting purposes



EF-CR-020

There are three types of currencies in QAD Enterprise Financials.

Transaction Currency (TC)

The functional currency in which the transaction is recorded.

Base Currency (BC)

The functional currency of the entity in which the transaction is recorded.

Statutory Currency (SC)

The statutory currency of the domain; used for reporting purposes.

Currency Conversion

Currency Revaluation Concepts Currency Conversion

- Record transaction in TC or BC
- TC BC conversion
 - TC BC exchange rate can be overruled by user
- TC SC conversion
 - TC SC exchange rate can only be overruled by a user in a manual journal entry
- All amounts stored in database
 - TC (if applicable), BC and SC amounts
- All transactions can be displayed in TC, BC, SC



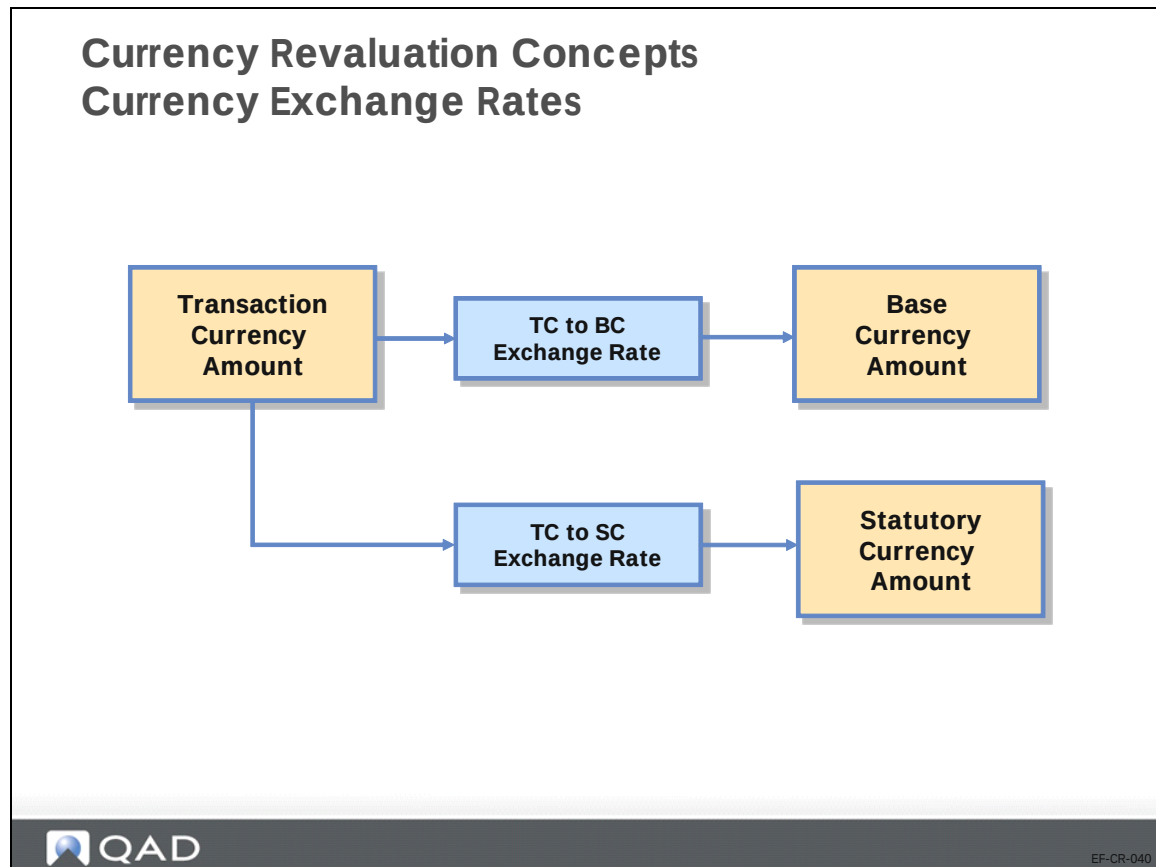
EF-CR-030

Due to the dual base currency concept in QAD Enterprise Applications, three currencies may appear on foreign currency transactions.

Transactions can be recorded in foreign or base currency.

All three amounts are stored in the database and can be displayed on reports.

Two Exchange Rates



There are two types of revaluation:

- 1 Revaluation of transactions denominated in a non-base currency, relative to the base currency.
- 2 Revaluation of transactions denominated in a non-statutory currency, relative to the statutory currency.

Exchange Rate Types

Currency Revaluation Concepts Currency Exchange Rates

- Exchange rate determined by
 - Type
 - “Valid from” date
 - “Valid to” date
- Exchange rate types:
 - System exchange rate types :
 - Accounting (mandatory)
 - Budget
 - Cash
 - Intrastat
 - Inventory
 - Revaluation
 - Statutory
 - Tax
 - Opt. user-defined exchange rate type



EF-CR-050

An exchange rate is defined by its type, valid from, and valid to date.

To ensure that a valid daily exchange rate is always available, the Valid To field lets you specify the validity end date of an exchange rate. This field is available for all exchange rate types. In addition, the Default Validity field lets you specify the default number of days that an exchange rate of a particular type is valid.

There are system exchange rate types and user-defined exchange rate types.

You must define an exchange rate for the system exchange rate type Accounting.

The statutory exchange rate type is used in currency conversions that use statutory currency. In domains that use a statutory currency, the system always looks for a statutory type exchange rate.

If the system cannot find an exchange rate for the relevant period, it can revert to using the accounting exchange rate, depending on the setting of the Fallback to Accounting field in Exchange Rate Type Create (26.3.1).

Posting Accounts

Currency Revaluation Concepts Posting Accounts

- **Source Account**
 - Revaluated account
- **Target Account**
 - Exchange rate difference account resulting from revaluation (unrealized)
- **Revaluation Account**
 - Revaluation results account (profit or loss)



EF-CR-060

Source Account

The original account affected by the revaluation to which the transaction was posted.

Target Account

The exchange rate differences account resulting from revaluation. This account is one of the two system unrealized accounts.

Revaluation Account

The account to which the revaluation results are posted.

Only the system account and the revaluation account are used in the posting. However, for standard GL accounts, the source and revaluation accounts are the same, and the source account is also used in the posting.

Currency Revaluation Setup

Currency Revaluation Setup

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



EF-CR-070

To enable accounts to be revalued, you must configure currencies and revaluation parameters on the accounts, and then create a posting structure for revaluation postings.

Currency revaluation parameters can be set up at the level of the individual GL account. Whether a GL account can be revalued and the revaluation approach (with revaluation account or not) depends on the type of GL account.

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

Standard GL Accounts

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

Bank and Cash Accounts

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

GL Account Create Menu - Currency Tab

GL Account Create Currency Tab Revaluation GL

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



EF-CR-080

Revaluation results must not be posted on the control account.

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

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

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

Currency Tab - Revaluation Methods

GL Account Create – Currency Tab Revaluation Method

Posting Currency Analysis Report Link Banking Cash Defaults

Base Currency Only ☐

TC Revaluation in BC None

TC Revaluation in SC None

Revaluation GL

Consolidation Method Current Exchange Rate

Currency Code

Rate Type for Revaluation in BC

Rate Type for Revaluation in SC

Consolidation Rate Type


EF-CR-090

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

TC Revaluation Method and Rate

Revaluation Method and Rate

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



EF-CR-100

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

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

GL Account Setup by Type

Control GL account multi currency

Base Currency Only	☐	Currency Code	
TC Revaluation in BC	Revaluation Rate	Rate Type for Revaluation in BC	
TC Revaluation in SC	Revaluation Rate	Rate Type for Revaluation in SC	
Revaluation GL	400001		

Standard GL account with one currency (USD)

Base Currency Only	☐	Currency Code	USD
TC Revaluation in BC	Revaluation Rate	Rate Type for Revaluation in BC	
TC Revaluation in SC	User Defined Rate	Rate Type for Revaluation in SC	SC Reval
Revaluation GL			

Standard GL account with base currency (EUR)

Base Currency Only	☐	Currency Code	EUR
TC Revaluation in BC	None	Rate Type for Revaluation in BC	
TC Revaluation in SC	Statutory Rate	Rate Type for Revaluation in SC	
Revaluation GL			

Currency Revaluation Setup

Revaluation Results GL Accounts

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

Revaluation Postings

Currency Revaluation Setup Revaluation Results Analysis Structure

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



EF-CR-130

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

Daybooks

Currency Revaluation Setup - Daybooks

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

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

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



EF-CR-140

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

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

GL Periods

Currency Revaluation Setup - GL Periods

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



EF-CR-150

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

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

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

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

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

Currency Revaluation Transactions Activities

Currency Revaluation Activities

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



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View

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

Modify

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

Delete

Revaluation with all areas in Initial status can be deleted

Post

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

Revaluation Simulate

Revaluation Simulate

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



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

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

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

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

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

The results display the following information:

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

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

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

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

Revaluation Post

Revaluation Post

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



EF-CR-180

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

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

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

US Exercise: Revaluation

In this exercise, you will:

- Verify the parameters for revaluation.
- Simulate the revaluation.
- Execute and post the revaluation.

Use entity 10USACO

- 1 In entity 10USACO, use GL Account View (25.3.13.3) to review the parameters of the following accounts. If needed, modify the parameters using GL Account Modify (25.3.13.2):

Unrealized Exchange Loss (9900)

Unrealized Exchange Profit (8900)

The accounts must be system accounts and the system types must be Unrealized Exchange Loss (9900) and Unrealized Exchange Profit (8900).

- 2 Use GL Account View (25.3.13.3) to review the parameters of Accounts Payable control account 2000.

Set the Revaluation GL account to 2001, and set the revaluation method to Revaluation for both TC and SC. You must also create the GL account 2001, Revaluation AP, if it does not already exist.

- 3 Use Daybook Create (25.8.1.1) to create the revaluation daybook SUPREVAL (revaluation suppliers).

- 4 Use Supplier Invoice Create (28.1.1.1) to create the following supplier invoices in foreign currency:

Field	Value
Daybook	SINV (defaults from the daybook set)
Period	Current period
Invoice Status Code	OK2PAY

Field	Supplier 1	Supplier 2
Supplier	20S1002	30S1002
Currency	EUR	CNY
Amount	100,000.00	1,000,000.00
Exchange rate	USD = 0.769231 EUR / 1 EUR = 1.3 USD	1 USD = 8 CNY / 1 CNY = 0.125 USD
Invoice Date:	Specify a date in the middle of the current period.	
Posting Date:	Specify a date in the middle of the current period.	

- 5 Use Exchange Rate Create (26.4.1) to create revaluation exchange rates.

- From USD to CNY

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

- 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)

- 6 Use Revaluation Simulate (25.21.1.1) to simulate the revaluation of Accounts Payable (Supplier Open Items) as of the last date of the current period, and save the simulation.
- 7 Use Revaluation report (25.21.1.6) to print the revaluation report for the simulation and verify that the correct revaluation rates have been used.
- 8 Use Revaluation Post (25.21.1.5) to post the revaluation of Accounts Payable (Supplier Open Items) as of the last date of the current period.
- 9 Use Journal Entry View (25.13.1.3) to check the postings in the revaluation daybook (Supreval) for supplier open items.

EMEA Exercise: Revaluation

In this exercise, you will:

- Verify the parameters for revaluation.
 - Simulate the revaluation.
 - Run and post the revaluation.
- 1 In entity 22UKCO, use GL Account View (25.3.13.3) to review the parameters of the following GL accounts. Use GL Account Modify to modify the parameters, if needed.
 Unrealized Exchange Loss (9900)
 Unrealized Exchange Gain (8900)
 These must be system accounts and the system type must be:
 - Unrealized Exchange Loss (9900)
 - Unrealized Exchange Gain (8900)
 - 2 Use GL Account Modify (25.3.13.2) to review the parameters of the Accounts Payable control account 2000.
 On the Currency tab, set the Revaluation GL to 2001, and set the revaluation methods for both TC and SC to Revaluation. You must also create GL account 2001, Revaluation AP, if it does not already exist.
 - 3 Use Daybook Create (25.8.1.1) to create the revaluation daybook SUPREVAL (revaluation suppliers).
 - 4 Use Supplier Invoice Create (28.1.1.3), create the following supplier invoices in foreign currency (at least one in each currency):

Field	Value
Daybook	SINV (defaults from the daybook set)
Period	Current period
Invoice Status Code	OK2PAY

Field	Supplier 1	Supplier 2
Supplier	10S1002	30S1002
Currency	USD	CNY
Amount	100,000.00	1.000.000,00
Exchange rate	1 GBP = 1.58142 USD/USD = 0.632250 GBP	1 GBP = 10.567CNY / 1 CNY = 0.0946511 GBP
Invoice Date:	Specify a date in the middle of the current period.	
Posting Date:	Specify a date in the middle of the current period.	

- 5 Use Exchange Rate Create (26.4.1) to create revaluation exchange rates.
 - From GBP to CNY
 Valid from end of current month: 10 (1 GBP = 10 CNY)
 - From GBP to USD
 Valid from end of current month: 1.5 (1 GBP = 1.5 USD)

- 6 Use Revaluation Simulate (25.21.1.1) to simulate the revaluation of Accounts Payable (Supplier Open Items) as of the last day of the current month, and save the simulation.
- 7 Use Revaluation Report (25.21.1.6) to print the revaluation report for the simulation and verify that the correct revaluation rates have been used.
- 8 Use Revaluation Post (25.21.1.5) to post the revaluation of Accounts Payable (Supplier Open Items) as of the last day of the current period.
- 9 Use Journal Entry View (25.13.1.3) to check the postings in the revaluation daybook (Supreval) for supplier open items.

Chapter 20

Mirror Accounting

Overview

Overview

- Business requirement
- Scope
- Mirror accounting flow
 - High level flow
 - Setup
 - Transactions
- Hands-on exercise



EF-MA-020

Mirror accounting is used in several European accounting systems to ensure that inventory transactions are reflected immediately in the income statement, as well as in the balance sheet. This lets you analyze purchases and inventory movement in the general ledger in internal management reports.

You can apply mirror accounting to inventory control transactions only, or to work order transactions as well.

Business Requirement

Business Requirement

- Inventory transactions on income statement
- Reasons
 - Business requirement (management reporting)
 - Legal requirement (country, region)



EF-MA-030

The mirror accounting functionality solves a requirement for inventory transactions to be processed directly in the income statement, as well as in the balance sheet

There are two main reasons for implementing mirror accounting:

At business level:

For statutory or management financial statement reporting.

At legal level:

Legal accounting requirements for certain countries (for example, Italy and France).

Scope

Scope

- IC transactions (Inventory Control):
 - PO Receipt
 - Unplanned Issues, Receipt
 - WO Issue, Receipt
 - SO Shipment
 - Inventory transfers



EF-MA-040

In QAD Enterprise Financials, you can apply mirror accounting to transactions of type IC (Inventory Control). These transactions can originate from activities, such as purchase order receipts, unplanned issues, work order issues, or sales order shipments.

Mirror Accounting across Versions

Mirror Accounting Across Versions

- QAD Enterprise Applications Standard Edition
 - Exists in QAD SE and some earlier versions
 - Use Memo, Statistical accounts
- QAD Enterprise Applications Enterprise Edition
 - Use accounting layers to implement the mirroring



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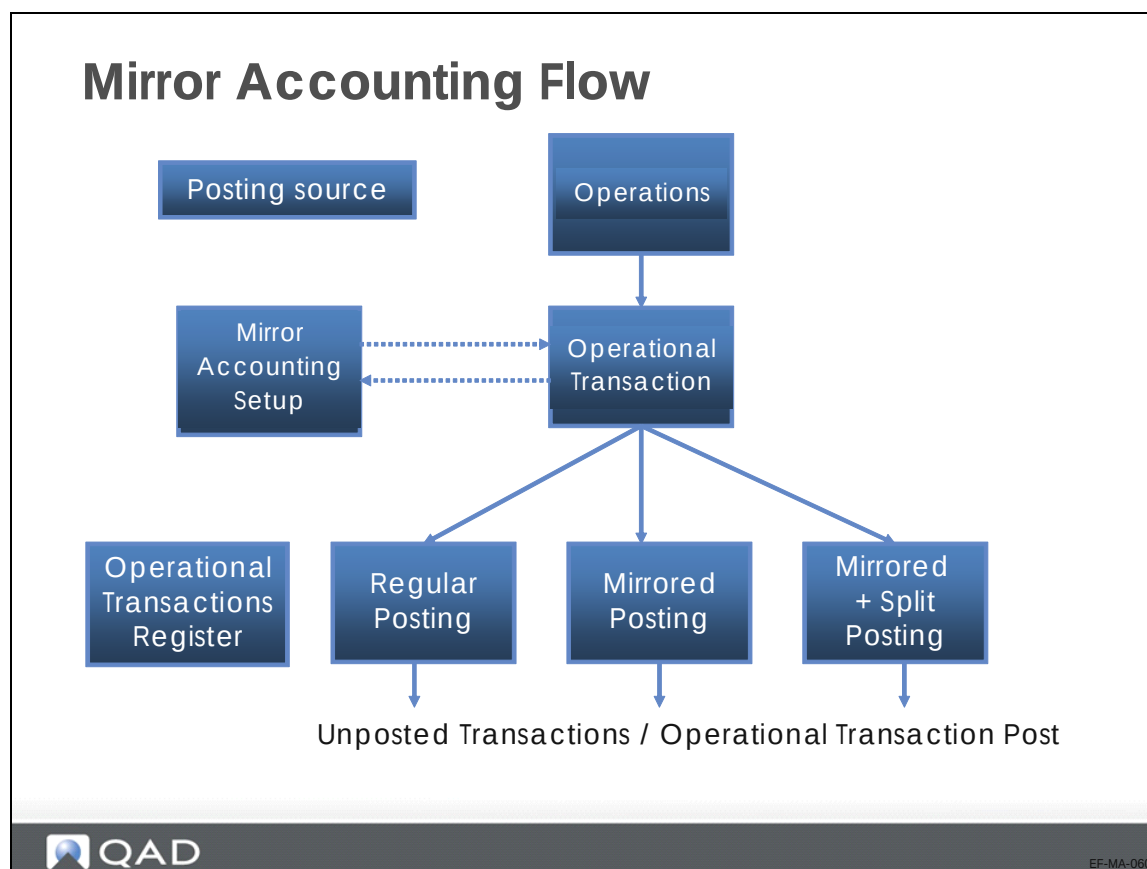
Mirror Accounting in QAD Standard Financials:

- Exists in QAD Standard Edition Financials and some earlier versions.
- Memo and statistical accounts are used to include or exclude postings from financial statements.

QAD Enterprise Financials:

The accounting layers concept is used to implement the mirroring, through the relevant posting daybooks. Memo and Statistical accounts are not used in Enterprise Financials.

Mirror Accounting Flow



The operational postings that are subject to mirroring (IC and WO transaction types) are always created as a pair of posting lines. Mirroring adds two posting lines to the original transaction, which update the mirror accounts you defined.

The program that creates the mirroring adds reference information to the posting lines. This reference information lets you report on mirrored transactions and linked postings (in case a split was applied).

When mirror accounting is enabled for a given entity, the system will create one of the following postings when an operational posting is created:

Case 1

A regular posting is created when the posting (source) daybook or the pair of accounts is not in the mirror accounting setup or the transaction type is not IC.

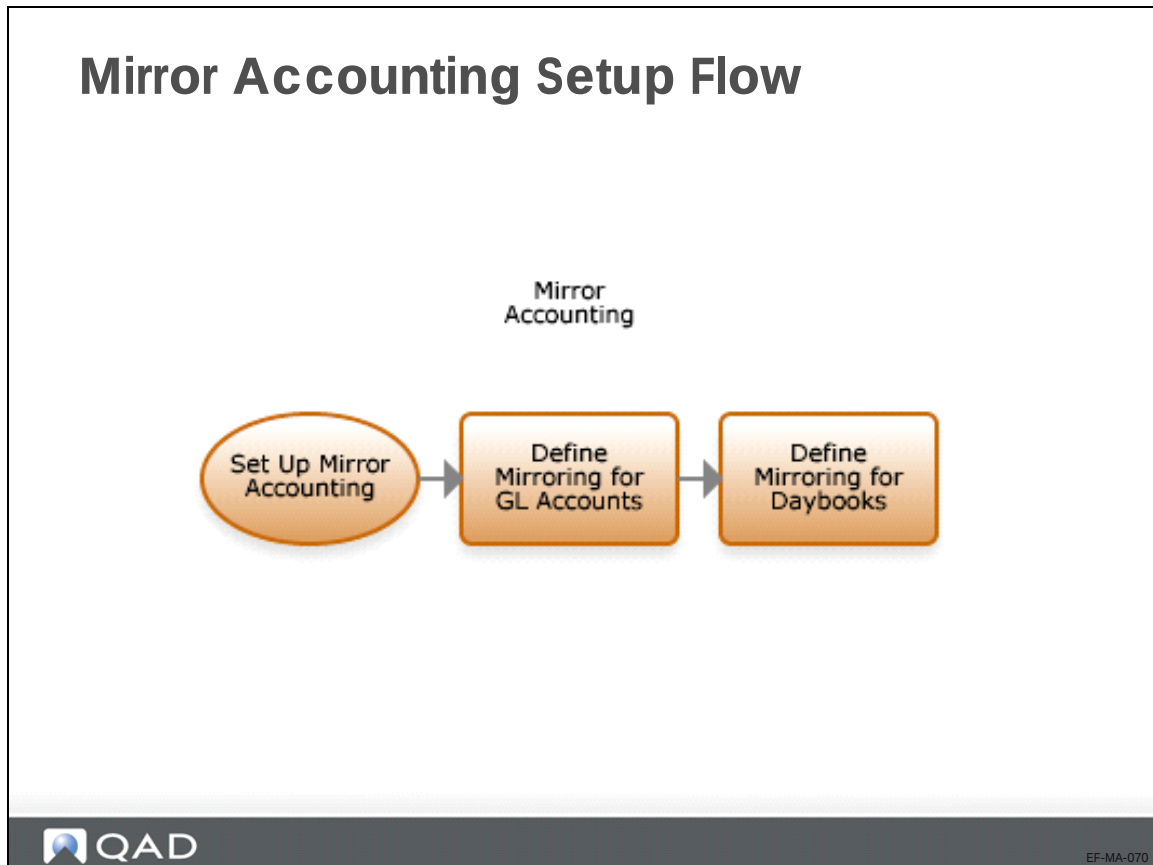
Case 2

Mirrored posting lines are created when the posting (source) daybook and the pair of accounts are specified in the mirror accounting setup without a split option and the transaction type is IC.

Case 3

Mirrored postings split into sub transactions are created when the posting (source) daybook and the pair of accounts are specified in the mirror accounting setup, the transaction split is active and the transaction type is IC.

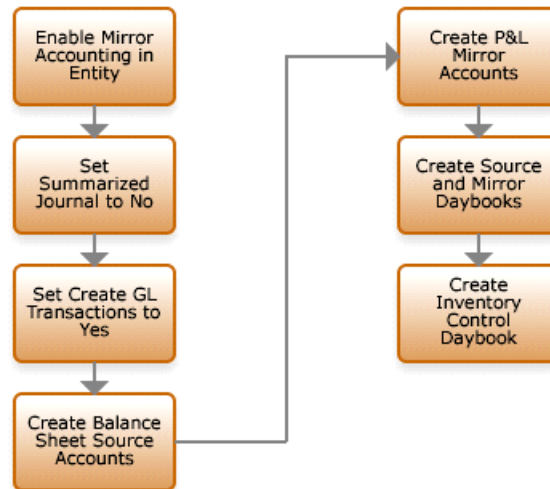
Mirror Accounting Setup Flow



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

Mirror Accounting Setup Flow

Set Up Mirror Accounting



EF-MA-080

You enable mirror accounting as an attribute of the entity.

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

Setup Details

Mirror Accounting Setup

- Activate at entity level
- Setup Mirror Account pairs
 - Optionally include
 - Analytical information
 - Split option
- Setup Mirror Daybooks pairs
- Setup can be at level
 - Domainor
 - Entity



EF-MA-090

A source account pair is linked with its respective mirror account pairs. The source accounts can be of the following types:

- Standard account
- Cross-company control account
- Inventory control account
- WIP control account
- System accounts of type Purchase Order Receipts

A source daybook is linked with its mirror daybook. The mirror daybook can be linked to either the primary/official or secondary/management type of layer.

Requirements for Execution

Requirements for Execution

- Mirror accounting transactions triggered when
 - Mirror accounting is active for the entity
 - The transaction contains a mirror account pair
 - The transaction is in a mirror daybook



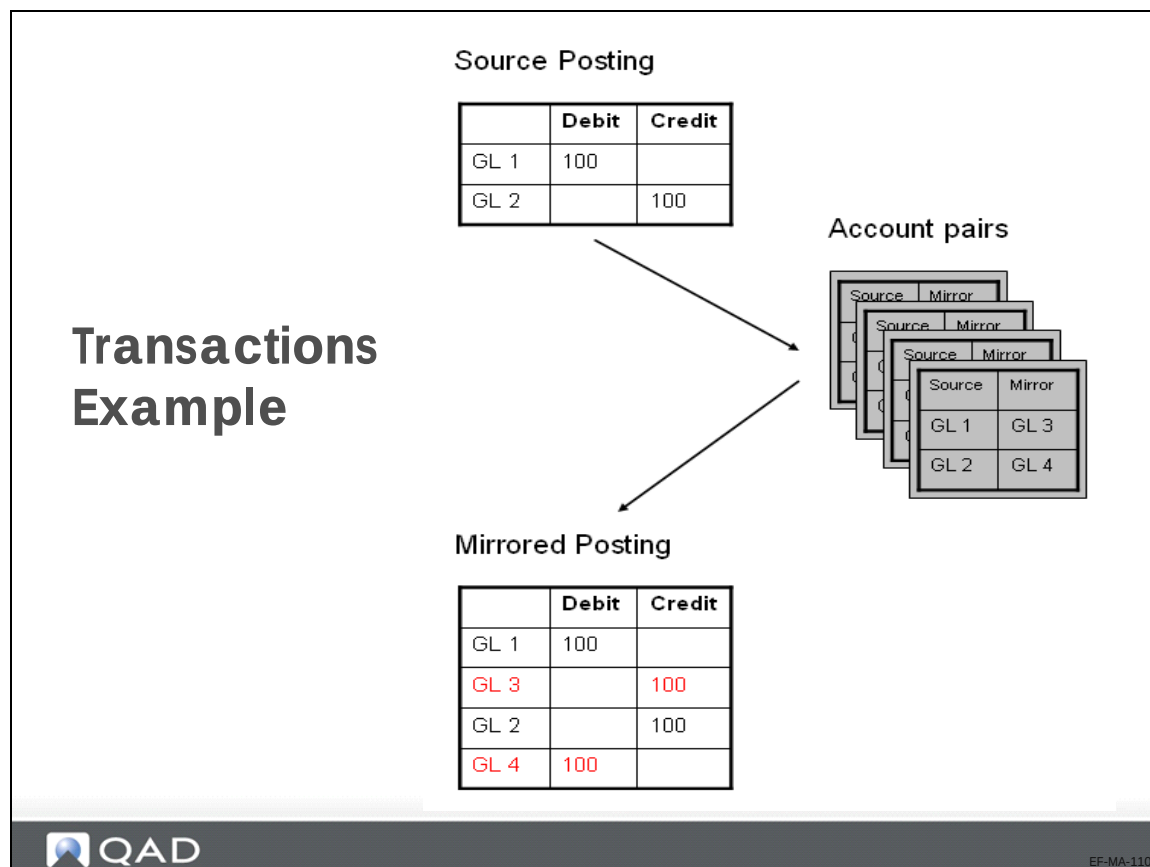
EF-MA-100

Mirror accounting is applied when it is active for the entity and the posting contains a pair of source accounts that have to be mirrored and the source daybook has been defined with its mirror daybook.

The Mirror Setup field in the Entity record contains the following three options:

- None: Mirror accounting is disabled for the entity.
- Domain: Mirror accounting is enabled for the entity, and it takes mirror account and daybook definitions from domain level (definitions where the entity is blank).
- Entity: Mirror accounting is enabled for the entity, and it takes mirror account and daybook definitions from entity level (specific definitions for that entity).

Transaction Example



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

Transaction Example—Split

Transaction Example - Split

Mirrored Posting

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

Split option 1

	Debit	Credit
GL 1	100	
GL 3		100

	Debit	Credit
GL 2		100
GL 4	100	

Split option 2

	Debit	Credit
GL 1	100	
GL 2		100

	Debit	Credit
GL 3		100
GL 4	100	

Each transaction is assigned a daybook from the mirror daybook setup



EF-MA-120

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

Exercise: Mirror Accounting (EMEA only)

Log in to entity 22UKCO

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

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

- 1 Use Entity Create (36.1.1.2.1) to create a new entity 22UKWA.

Field	Value
Entity Code:	22UKWA
Domain:	22UK
Business Relation:	Use the GoTo to create a new business relation, 22UKWA
Mirror Setup:	Entity

- 2 Use Business Relation Create (36.1.4.3.1), or use the GoTo from the Entity Create menu (36.1.1.2.1), to create the business relation linked to the entity.

Field	Value
Business Relation Code:	22UKWA
Internal Entity:	Yes
Intercompany Code:	22UKWA
Head office address:	1, Fenton Square Cardiff CF1 75R

- 3 Use User Domain/Entity Access Maintenance (36.3.4) to give the user QMI access to entity 22UKWA.
- 4 Log off the application and log back in again to access the new entity.
- 5 Use Role Membership Maintain (36.3.6.6) to give the user QMI access to the entity 22UKWA with the role Superuser. When you have access, change entity to 22UKWA.
- 6 Use Company Address Maintenance (1.2) to create company address 22UKWAC and use Site Maintenance (1.1.13) to create site 22UKWAC.
- 7 Use Location Maintenance (1.1.18) to set up a location for site 22UKWAC.
- 8 Use Cost Set Copy to Cost Set (30.3) to set up the costing for 22UKWAC.
Copy from site 22-100 standard cost set to site 22UKWAC standard cost set.
- 9 Use GL Account Create (25.3.13.1) to create mirror accounts.

Field	Value
GL Account Code:	MINVAR
Description:	Mirror Inv Variation
GL Type:	Standard

Field	Value

Posting Tab

Balance/PL:	Profit and Loss
Auto/Manual:	Manual

Analysis Tab

Analysis type:	None

Field	Value

GL Account Code:	MPURCH
Description:	Mirror Purchases
GL Type:	Standard

Posting Tab

Balance/PL:	Profit and Loss
Auto/Manual:	Manual

Analysis Tab

Analysis type:	None

- 10** Use Mirroring GL Account Create (3.20.7.1) to link mirror accounts to existing accounts.

Link GL account 1500 to mirror account MINVAR.

Link GL account 2520 to mirror account MPURCH.

- 11** Use GL Layer Create (25.8.14.1) to create a layer code Mirror.

Description: Mirror Accounting Layer

Layer Type: Management

- 12** Use Daybook Create (25.8.1.1) to create a mirror daybook.

Field	Value

Daybook Code:	MPORCT
Description	Mirror Daybook
Daybook Type:	Journal Entries
Layer Code:	Mirror
Daybook Control:	Operational
Daybook Group:	MIRR-ACC

- 13** Use Mirroring Daybook Create (3.20.6.1) to link the mirror daybook to the source daybook.

Field	Value

Domain:	22UK
Entity:	22UKWA
Source Daybook:	RCT-PO

Field	Value
Mirror Daybook:	MPORCT
Source Layer:	Primary

- 14** Use Purchase Order Maintenance (5.7) to create a purchase order.

Field	Value
Purchase Order Number:	M-PO-1
Supplier:	22S1001
Ship-to:	22UKWAC
Site:	22UKWAC
Item:	02003
Quantity:	1000
Unit Price:	.22

- 15** Use Purchase Order Receipts (5.13.1).

Receive the full purchase order quantity.

- 16** Use Unposted Transaction Register (25.13.14) to preview the postings.

Chapter 21

General Ledger Transactions

Objective

Objective

- Learn how to manage the General Ledger by understanding how to create all types of General Ledger transactions and corrections.
- Learn what GL transactions reports and views are available.

Overview

General Ledger Transactions

- General Ledger transactions flow
- General Ledger transactions highlights
 - Open Item Adjustments
 - Revaluation posting
 - Journal Entry
 - Journal Entry Templates
 - Reversing Entries
 - Recurring Entry
 - Cross-company posting
 - Mass Layer Transfer
- General Ledger transactions reporting

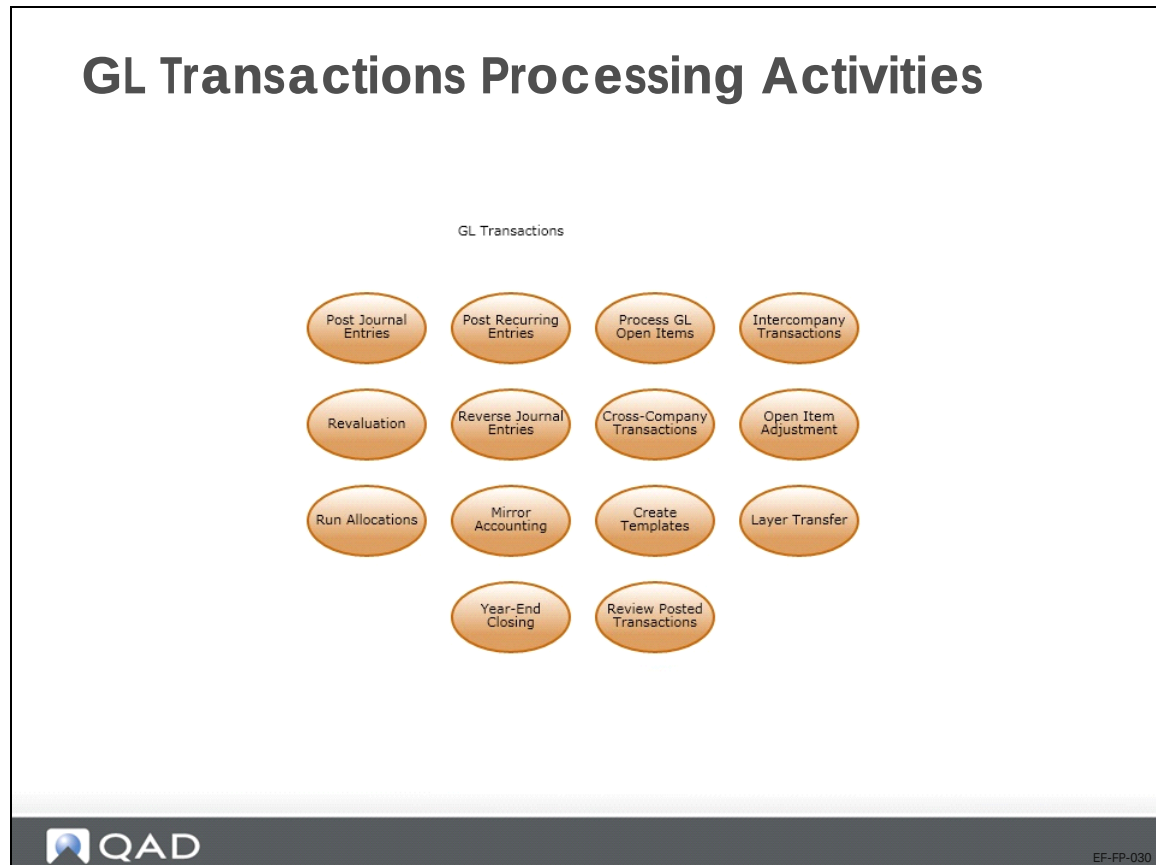


EF-FP-020

This section handles General Ledger transactions, that is, transactions that do not originate from operational areas.

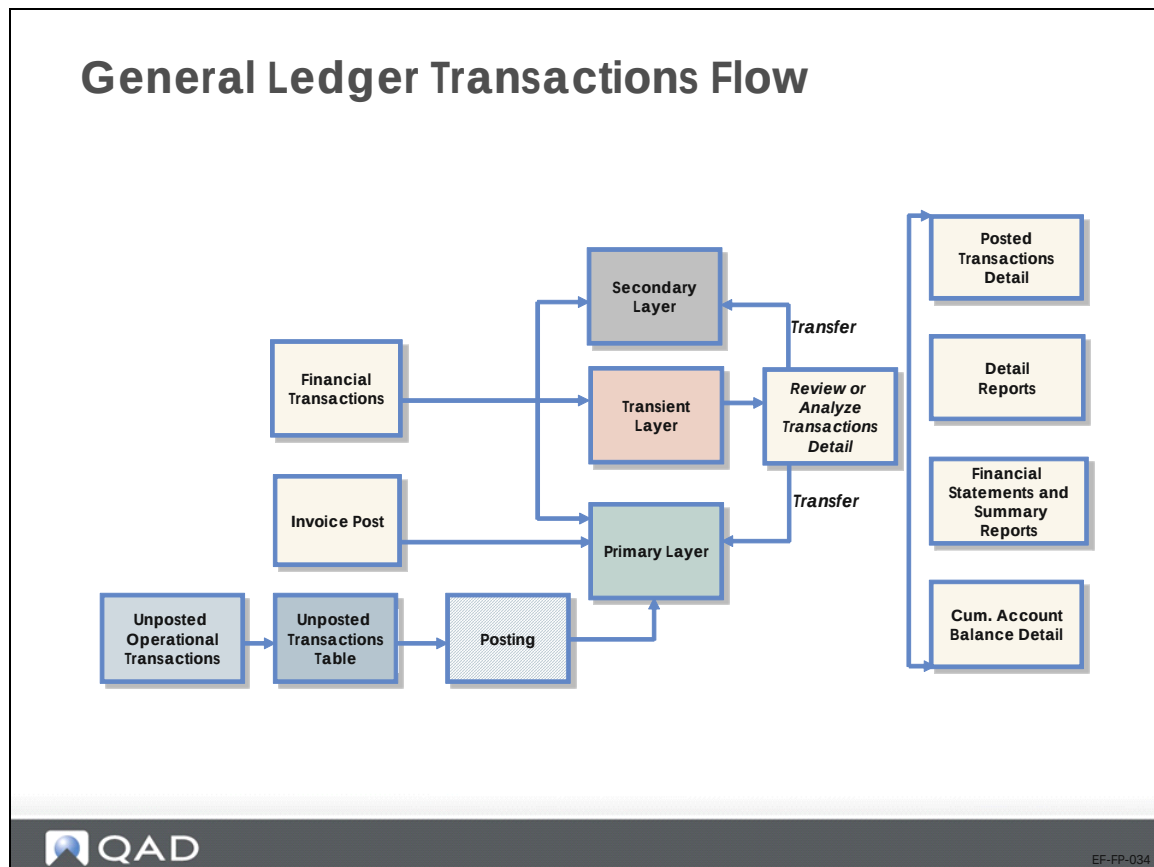
After reviewing the overall transaction posting flow, we will learn more about journal entries, templates, reversing transactions, recurring entries, cross-company postings, and, how to transfer transactions in batch from the transient to the primary or secondary layer (mass layer transfer).

General Ledger Transactions Processing Overview



This process map displays all activities related to General Ledger transactions.

General Ledger Transactions Flow



Journal entries, invoice post, and operational transactions are the basis of GL records.

Transactions recorded in the primary layer or secondary layer are created and posted as part of the same journal entry process. Transactions recorded in the transient layer can be transferred to the primary or secondary layer.

Simple GL transactions consist of multiple posting lines associated with amounts and GL accounts. During posting, the transaction detail in the posting line is used to update cumulative account balance detail records for the GL period. This detail is then used when generating financial statements and summary reports.

Journal Entry

General Ledger Transactions

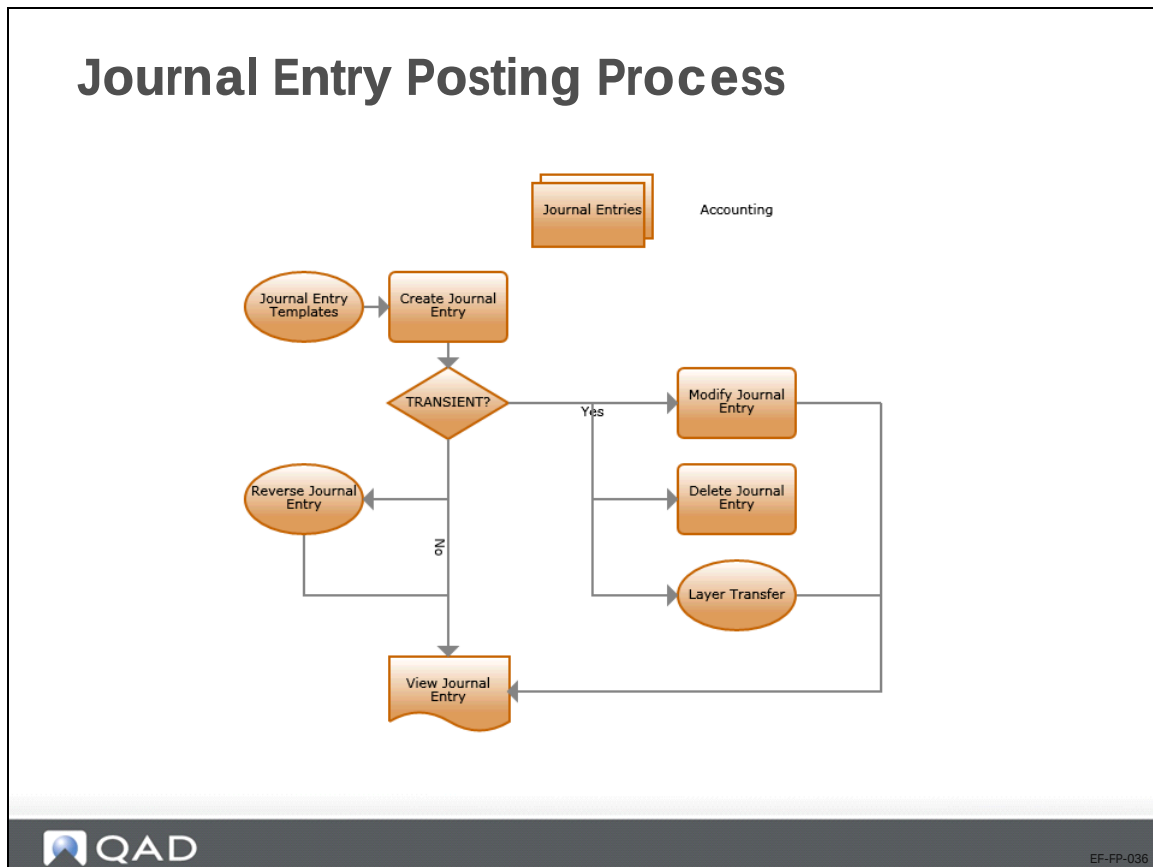
- General Ledger transactions flow
- General Ledger transactions highlights
 - Open Item Adjustments
 - Revaluation posting
 - **Journal Entry**
 - Journal Entry Templates
 - Reversing Entries
 - Recurring Entry
 - Cross-company posting
 - Mass Layer Transfer
- General Ledger transactions reporting



EF-FP-035

We will now discuss journal entry creation in more detail.

Journal Entry Posting Process



Journal entries are the basis of most GL records. They can be based on templates, can be reversed, and if posted in the transient layer, they can even be modified and deleted.

Journal entries map directly to GL transactions, and the general ledger lets you view the activity and balance of each account at a glance.

Journal Entry Create Menu

Journal Entry Creation

- Journal Entry Create (25.13.1.1)
- Sequence number
- External
 - Only in view mode
- Replacement
- Posting lines
 - Level 1
 - Sub-levels


EF-FP-Q40

Use the Journal Entry activities (25.13.1) to create, view, modify, delete, and reverse journal entries. You can use Journal Entry Create (25.13.1.1) to manually record transactions for financial daybooks. However, Journal Entry View (25.13.1.3) lets you view transactions posted to operational and external daybooks, in addition to financial daybooks.

Journal Entry Create (25.13.1.1) Highlights

Sequence number: This field displays a nine digit sequence number generated for the journal entry. This is an alternative reference number for use in countries where local GAAP constraints require that GL posting numbering be sequential, without any gaps.

Note The sequence number is generated only if the Additional GL Numbering field is activated for the entity.

Replacement. Select the field if the journal entry is a replacement posting. Normally, if a GL posting is incorrect, it is rectified using two subsequent GL transactions: a reversal posting to balance out the original, incorrect posting, and a new replacement posting with the correct values.

Reversal. Select the field if the journal entry is a reversal posting to balance out a previous, incorrect posting.

You can also use the following activities within Journal Entry:

- Journal entries can be saved in draft format when Draft Instances is selected in System/User Settings, Change System Setting. When you save a record in draft format, none of the system validations are executed. You can then return later to complete the record by choosing the Journal Entry Browse Drafts activity and selecting the record you want to finish from the list.
- Using the Excel integration feature, you can export data into Excel spreadsheets for analysis or reporting. You can also create new data within Excel and import it to the system database, where it is validated before being saved.

If the GL account you use does not have analysis and the transaction you enter is in the base currency, the posting contains only a single line and no level 2 posting lines.

JE Posting: Progressive Disclosure

JE Posting: Progressive Disclosure

Journal Entry Create

Go To Actions Tools Attach Print Preview

Attachments

Year 2010 11

Posting Date 11/19/2010

Additional GL Numbering Date

Daybook Code JE 000000001

Layer Type OFFICIAL

Save As Template

Description Posting

Template Code

Replacement

Original Posting Reference

Sequence Number 000000000

Reversal

Second Description

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

EF-FP-050

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

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

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

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

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

Progressive Disclosure—Continued

JE Posting: Progressive Disclosure

Journal Entry Create

Go To Actions Tools Attach Print Preview

Attachments

Year: 2010 11 Posting Date: 11/19/2010 Additional GL Numbering Date:

Daybook Code: JE 000000001 Layer Type: OFFICIAL Save As Template:

Description: Posting Template Code: Replacement:

Original Posting Reference: Sequence Number: 000000000 Reversal:

Second Description:

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

JE Posting: Progressive Disclosure

Journal Entry Create

Go To Actions Tools Attach Print Preview

Attachments

Year: 2010 11 Posting Date: 11/19/2010 Additional GL Numbering Date:
 Daybook Code: JE 000000001 Layer Type: OFFICIAL Save As Template: ☒
 Description: Posting Template Code: AccrTemp1 Replacement: ☐
 Original Posting Reference: Sequence Number: 000000000 Reversal: ☐
 Second Description:

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

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

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

Project Code: Description: Structure:

GL Account	GL Description	Sub-Account C	Cost Ce	Description	Trans Curr	TC Debit	TC Credit

JE Posting: Progressive Disclosure

Journal Entry Create X

Go To Actions Tools Attach Print Preview

Attachments

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

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

Sub-Account Code Sub Account Descriptio
Gserv General Services

Cost Center Code Cost Centre Description Structure
Mar Marketing Travel

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

Project Code Description Structure

JE Posting: Progressive Disclosure

Journal Entry Create

Go To Actions Tools Attach Print Preview

Attachments

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

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

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

Allocation Allocation Key Open Item Posting

Allocate Later

US Exercise: Journal Entry Basics

Log in to entity 10USACO.

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

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

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

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

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

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

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

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

Account	Cost Center	Amount	DR/CR
GL 7000 (Travel)	Adm	\$10,000 USD	DR
GL 7010 (ICT)	Adm	\$900 USD	DR
GL 7200 (Repair & Maint)	Adm	\$1,100 USD	DR
GL 2470 (Accrual account)		\$12,000 USD	CR

EMEA Exercise: Journal Entry Basics

Log in to entity 22UKCO.

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

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

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

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

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

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

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

- 3 Create a journal entry.

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

Account	Cost Center	Amount	DR/CR
GL 7000 (Travel)	Adm	£10,000 GBP	DR
GL 7010 (ICT)	Adm	£900 GBP	DR
GL 7200 (Repair & Maint)	Adm	£1,100 GBP	DR
GL 2470 (Accrual account)		£12,000 GBP	CR

Create a journal entry.

- 4 Save your transaction and leave.

Journal Entry Templates

General Ledger Transactions

- General Ledger transactions flow
- General Ledger transactions highlights
 - Open Item Adjustments
 - Revaluation posting
 - Journal Entry
 - **Journal Entry Templates**
 - Reversing Entries
 - Recurring Entry
 - Cross-company posting
 - Mass Layer Transfer
- General Ledger transactions reporting



EF-FP-110

In the following pages, you will learn more about journal entry templates. If you plan to record the same journal entry on a regular basis, journal entry templates let you save the posting details for reuse.

Journal Entry Templates—Continued

Journal Entry Templates

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



EF-FP-120

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

Journal entry templates retain the following transaction details:

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

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

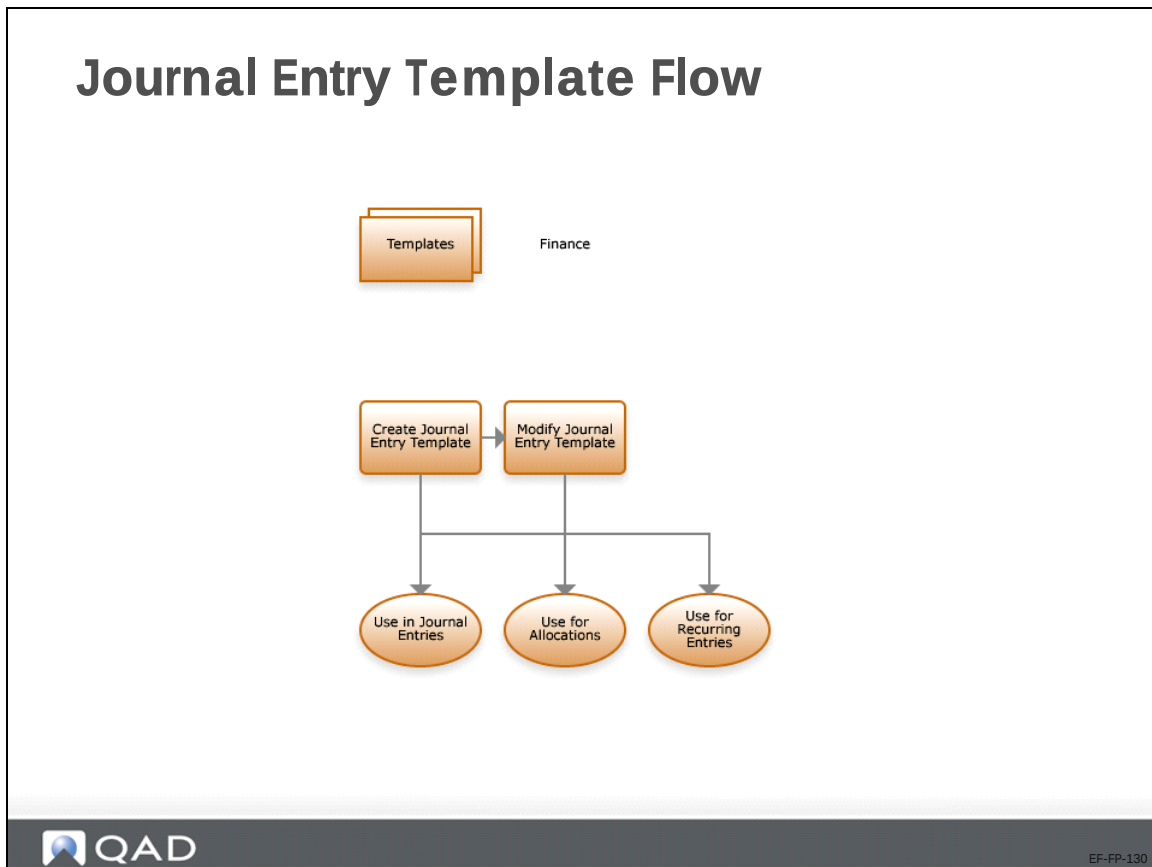
Best practice is to use a transient layer daybook to post journal entry templates. If you use a daybook linked to a transient layer, you can review the template details before posting the transactions to the primary layer. When you have verified the template, you can then change the daybook type to primary.

Note the following two fields:

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

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

Journal Entry Template Flow



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

Journal Entry Create for Templates

Create Template

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

The screenshot shows the 'Journal Entry Create' window. The 'Daybook Code' field is set to 'JE' and '000000001'. The 'Template Code' field is set to 'AccrTemp1'. The 'Save As Template' checkbox is checked. Other fields include Year (2010), Posting Date (11/19/2010), Layer Type (OFFICIAL), and Sequence Number (000000000).

Year	2010	11	Posting Date	11/19/2010	Additional GL Numbering Date	
Daybook Code	JE	000000001	Layer Type	OFFICIAL	Save As Template	☒
Description	Posting		Template Code	AccrTemp1	Replacement	☐
Original Posting Reference			Sequence Number	000000000	Reversal	☐
Second Description						



EF-FP-140

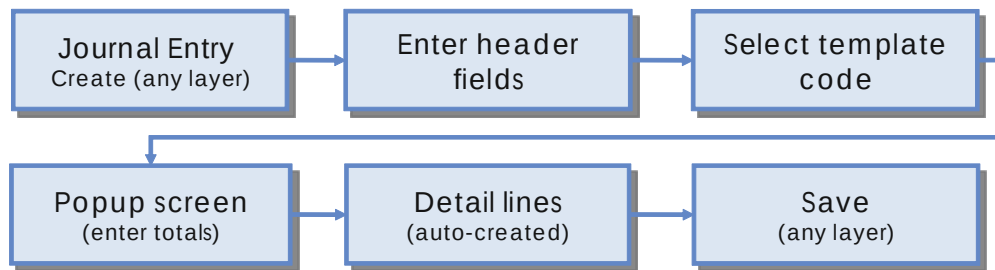
To create a new template, select the Save As Template Field.

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

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

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

Use Journal Entry Template



US Exercise: JE Templates

In this exercise, you will:

- Create standard transactions.
- Create and use templates.

Log in to entity 10USACO.

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

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

Use the daybook JETRANS unless another daybook is specified.

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

Accruals per the current date

Account	Cost Center	Amount	DR/CR
GL 7000 (Travel)	Adm	\$10,000 USD	DR
GL 7010 (ICT)	Adm	\$900 USD	DR
GL 7200 (Repair & Maint)	Adm	\$1,100 USD	DR
GL 2470 (Accrual account)		\$12,000 USD	CR

- 2 Use the daybook TEMPLATE linked to the transient layer code Trans-template.
- 3 Use the template created in (1) and create the accrual posting for the following GL period to the current one (post on the last day of the GL period). TC amount = 8000 USD (total amount of the posting in TC).

EMEA Exercise: JE Templates

In this exercise, you will create and use journal entry templates.

Log in to entity 22UKCO

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

- Sub-account: Gserv
- Cost Center: Adm
- SAF structure and SAF: choose any from the lookup list
- Use the daybook JETRANS unless another daybook is specified.

- 1 Use Journal Entry Create (25.13.1.1) to create a standard transaction.

Use the daybook TEMPLATE linked to the transient layer code Trans-template.

Specify template code ACCR-M001 and select the Save as Template field.

Accruals the current GL period

Account	Cost Center	Amount	DR/CR
GL 7000 (Travel)	Adm	10,000 GBP	DR
GL 7010 (ICT)	Adm	900 GBP	DR
GL 7200 (Repair & Maint)	Adm	1,100 GBP	DR
GL 2470 (Accrual account)		12,000 GBP	CR

- 2 Use the template created in (1) and create the accrual posting for the following GL period to the current one (post on the last day of the GL period), using Journal Entry Create (25.13.1.1). TC amount = 8000 GBP (total amount of the posting in TC).

Reversing Entries

General Ledger Transactions

- General Ledger transactions flow
 - General Ledger transactions highlights
 - Open Item Adjustments
 - Revaluation posting
 - Journal Entry
 - Journal Entry Templates
 - **Reversing Entries**
 - Recurring Entry
 - Cross-company posting
 - Mass Layer Transfer
- General Ledger transactions reporting



EF-FP-170

Now, you will learn how to use reversing transactions to reverse activity on existing journal entries.

Reversing Entries—Continued

Reversing Entries

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



EF-FP-180

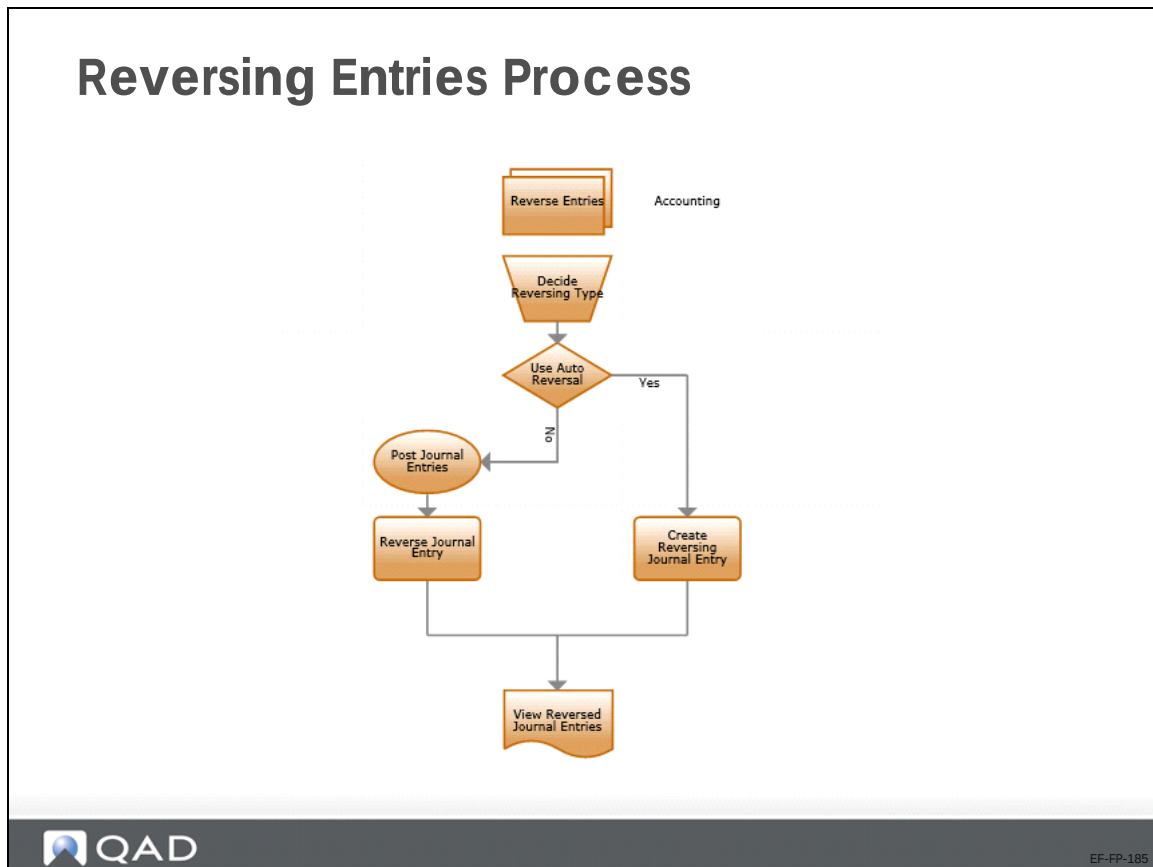
Reversing entries are used for two purposes:

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

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

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

Reversing Entries Process



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

Correction JE Reversal

Correction JE Reversal

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

		DR	CR	DR	CR	DR	CR
correction vs. reversal postings	GL1	100			100	-100	
	GL2		70	70			-70
	GL3		30	30			-30
		Original posting		Reversal posting		Correction posting	



EF-FP-190

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

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

Journal Entry Reverse Menu

Journal Entry Reverse

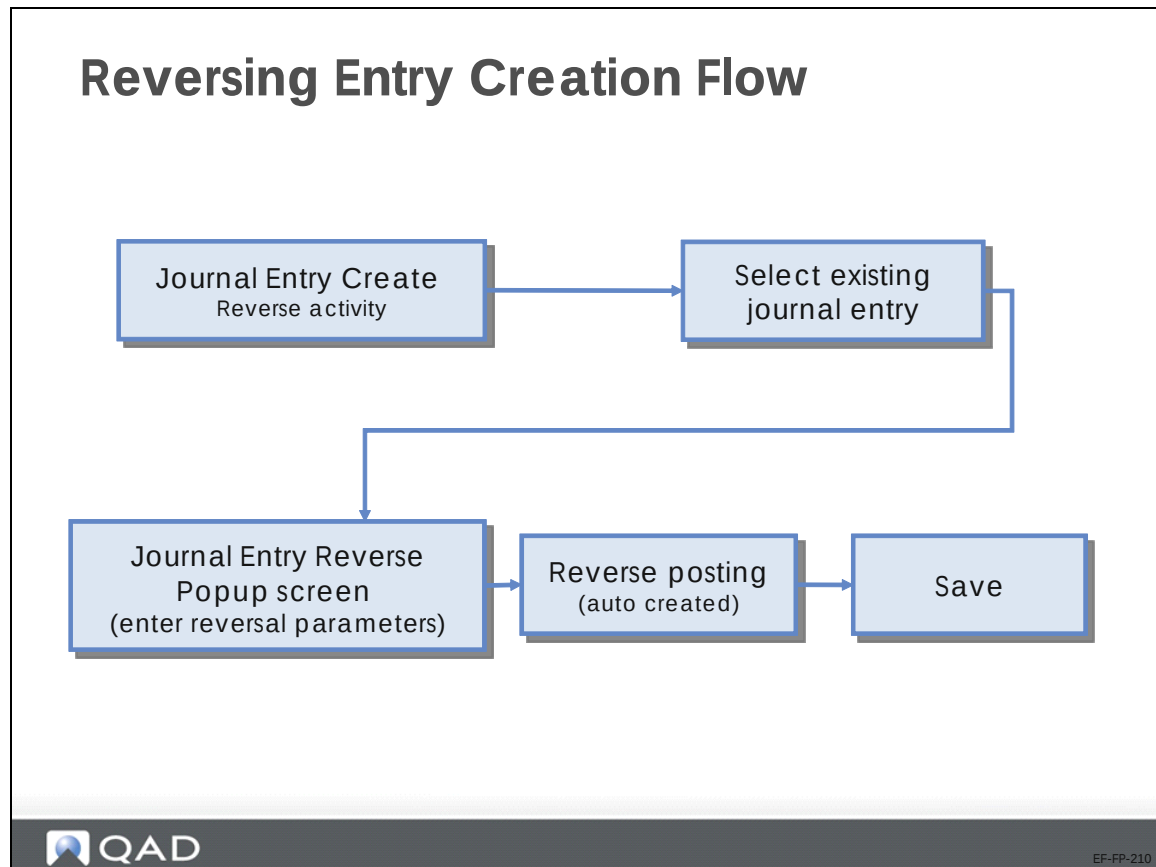
The screenshot displays two overlapping windows from the QAD software interface. The background window, titled "Journal Entry Browse for Reverse", shows a list of GL Accounts on the left (2399, 7700, 7010, 7040, 7000, 2480) and a form on the right with the following fields: Year (2010), Daybook Code (JE), Posting Date (11/19/2010), Additional GL Numbering Date (11/19/2010), Layer Type (OFFICIAL), Template Code (AccrTemp1), and Sequence Number (000000000). The foreground window, titled "Journal Entry Reverse", is a modal dialog box with a similar form. It includes a "GL Account" dropdown set to 2399, and fields for Year (2010), Daybook Code (JE), Posting Date (12/01/2010), Additional GL Numbering Date (11/19/2010), Layer Type (OFFICIAL), Template Code (AccrTemp1), Sequence Number (000000000), and checkboxes for "Save As Template" (checked), "Correction" (unchecked), and "Reversal" (unchecked). The dialog box has "OK" and "Close" buttons at the bottom right.

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

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

Select the Correction field to enable the correction JE reversal.

Reversing Entry Creation Flow



Automatic Reversal of Journal Entries

Automatic Reversal of Journal Entries

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



EF-FP-220

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

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

Reversing Journal Create

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

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

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

US Exercise: Reversing Entries

Log in to entity 10USACO.

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

- Sub-account: Gserv
 - Cost Center: Adm
 - SAF structure and SAF: choose any from the lookup list.
- 1 Use the template ACCR-M001 (created in the previous exercise) and create the accrual posting for the last day of the next GL period. TC amount = 8,000 USD (total amount of the posting in TC). Use daybook JE.
 - 2 Use Journal Entry Reverse (25.13.1.5) to reverse the standard transaction created in (1) in the same period because the posting was incorrect.
In the browse, specify daybook JE to limit the list of transactions and make your search easier. Select your transaction, and click OK. Review the transaction and save.
 - 3 In Journal Entry Create (25.13.1.1), click on the Replace field and create the following new posting (use template ACCR-M001).

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

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

Automatic Journal Entry Reversal

- 1 Create an automatic reversing journal entry in Reversing Journal Create (25.13.1.14).

Field	Value
Daybook	JE
Description	Accruals 2
Reversal Posting Date	First day of next month (default).
Correction	Select
Posting details:	
GL 7200	USD 10,000 DR
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.

EMEA Exercise: Reversing Entries

In this exercise, you will create reversing entries.

Log in to entity 22UKCO.

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

- Sub-account: Gserv
 - Cost Center: Adm
 - SAF structure and SAF: choose any from the lookup list.
- 1 Use Journal Entry Create (25.13.1.1) to create a posting on the last day of the next GL period and use the template ACCR-M001. Use daybook JE and the total amount is 9,000 GBP
 - 2 Use Journal Entry Reverse (25.13.1.5) to reverse the standard transaction created in (1) in the same period because the posting was not correct.
 - 3 In Journal Entry Create (25.13.1.1), click on the Replace field and create the following new posting (use template ACCR-M001):

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

Automatic Journal Entry Reversal

- 1 Create an automatic reversing journal entry in Reversing Journal Create (25.13.1.14).

Field	Value
Daybook	JE
Description	Accruals 2
Reversal Posting Date	First day of next month (default).
Correction	Select

Posting Details

GL 7200	GBP 10,000 DR
GL 2470	GBP 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

General Ledger Transactions

- General Ledger transactions flow
- General Ledger transactions highlights
 - Open Item Adjustments
 - Revaluation posting
 - Journal Entry
 - Journal Entry Templates
 - Reversing Transactions
 - **Recurring Entry**
 - Cross-company posting
 - Mass Layer Transfer
- General Ledger transactions reporting



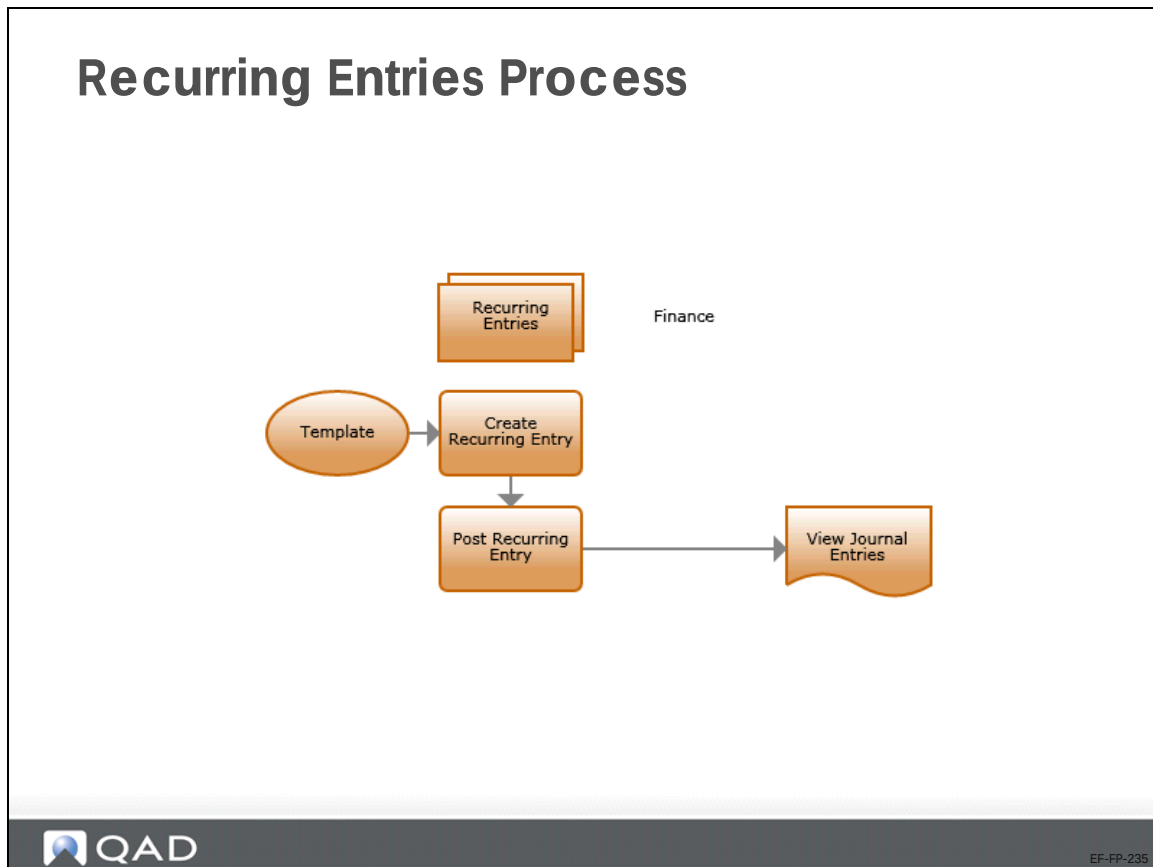
EF-FP-230

Use Recurring Entry activities (25.13.4) to create, view, modify, and delete recurring entries, and to process recurring entry postings.

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

You can run recurring entry transactions in several GL periods, eliminating some of the manual effort required. An expected end of year expense might be accrued month by month to distribute the effect on the balance sheet. Rather than making a manual entry each month, you can set up a recurring entry.

Recurring Entries Process



The slide displays the process map for recurring entries.

Recurring Entry

Recurring Entry

- Posting template linked to posting calendar
- Process
 - Create template
 - Create recurring entry
 - Template, daybook, total amount, posting frequency, update type, from date, to date
 - Reverse in next period Y/N
 - “Apply” generates recurring entries
 - Recurring Entry Post



EF-FP-240

A recurring entry consists of a posting template linked to a posting calendar. If you have created a recurring entry recorded in the transient layer, you then post the entry to the primary layer using Recurring Entry Post (25.13.4.5). If the template was recorded in the primary layer, the postings step is not required.

- 1 Create the posting template in Journal Entry create (25.13.1.1).
- 2 Set up the recurring entry in Recurring Entry Create (25.13.4.1).
- 3 Post the recurring entry in each period.

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

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

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

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

Recurring Entry Create/Post

Recurring Entry Create / Post

Recurring Entry Create

Code: Office Rent

Active: ☒

Template Code: RENT

Daybook Code: Template

BC Amount: 10,000.00

Reverse in Next GL Period: ☐

Frequency: Monthly

Update Type: Allowed

Start Date: 07/31/2008

End Date:

Apply

Recurring Entry Post

Template Code: RENT

Daybook Code: Official

Frequency: Monthly

Update Type: Allowed

End Date:

Code: Office Rent

Apply

QAD EF-FP-260

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

When selecting recurring entries to post, you must specify an end date as a search criterion. Refine the search further using the template, daybook, frequency, and update type criteria. Recurring entries without an end date are also included in searches, if they match the other search criteria.

US Exercise: Recurring Entries

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

Log in to entity 10USACO.

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

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

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

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

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

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

EMEA Exercise: Recurring Entries

In this exercise, you will:

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

Log in to entity 22UKCO

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

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

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

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

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

Intercompany and Cross-Company Transactions

General Ledger Transactions

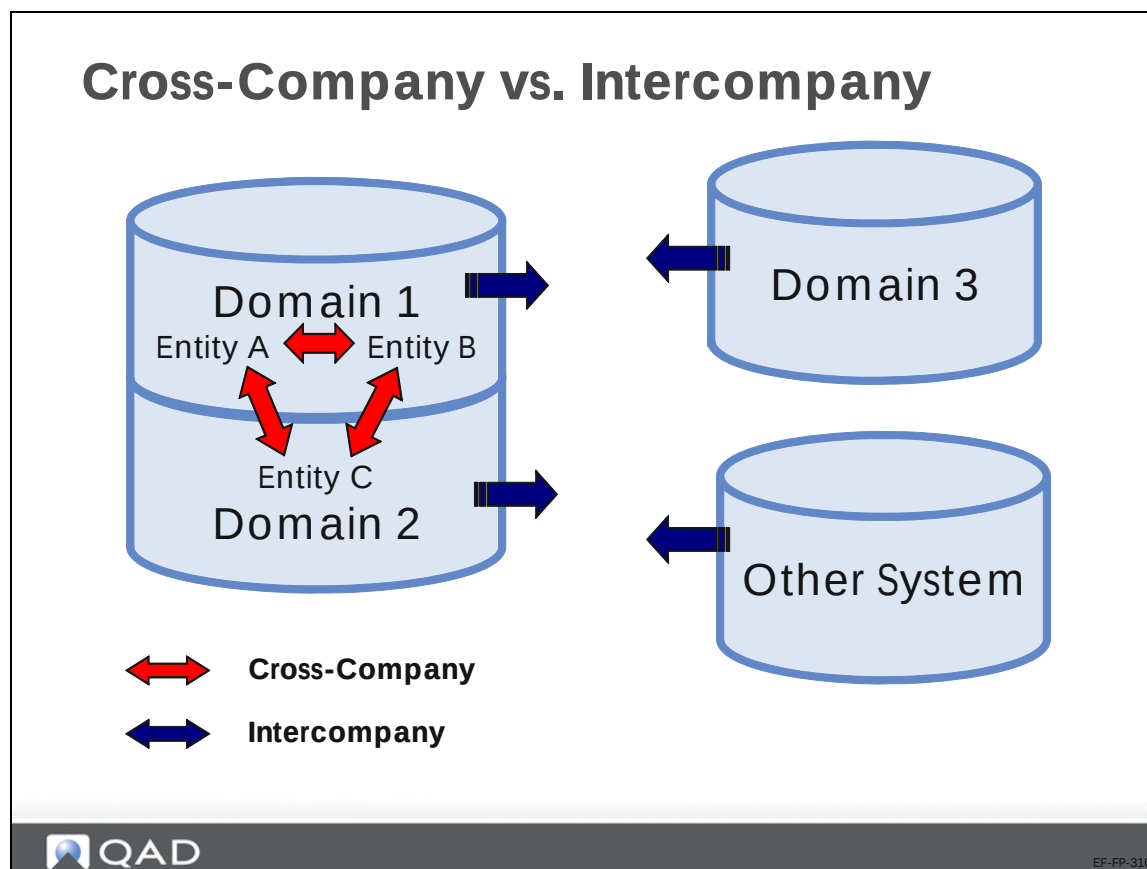
- General Ledger transactions flow
- General Ledger transactions highlights
 - Open Item Adjustments
 - Revaluation posting
 - Journal Entry
 - Journal Entry Templates
 - Reversing Transactions
 - Recurring Entry
 - **Intercompany and Cross Company**
 - Mass Layer Transfer
- General Ledger transactions reporting



EF-FP-280

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

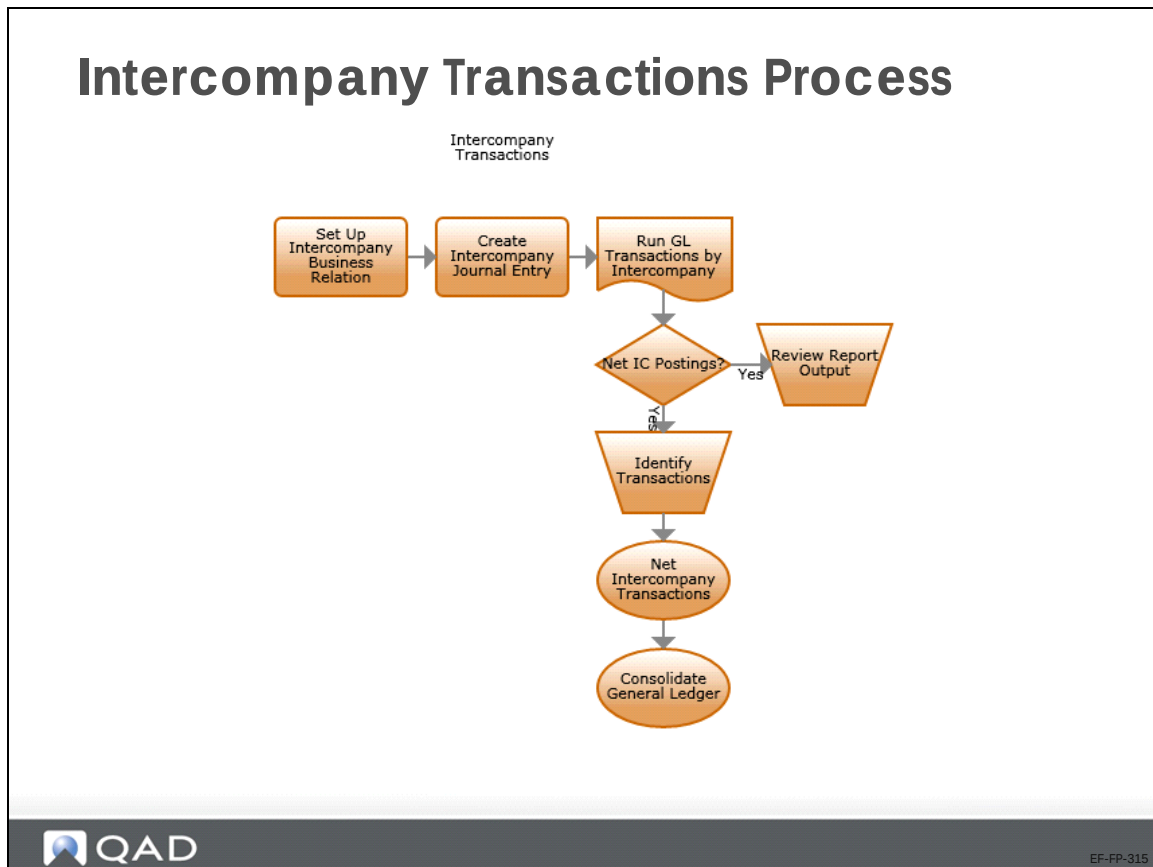
Cross-Company vs. Intercompany



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

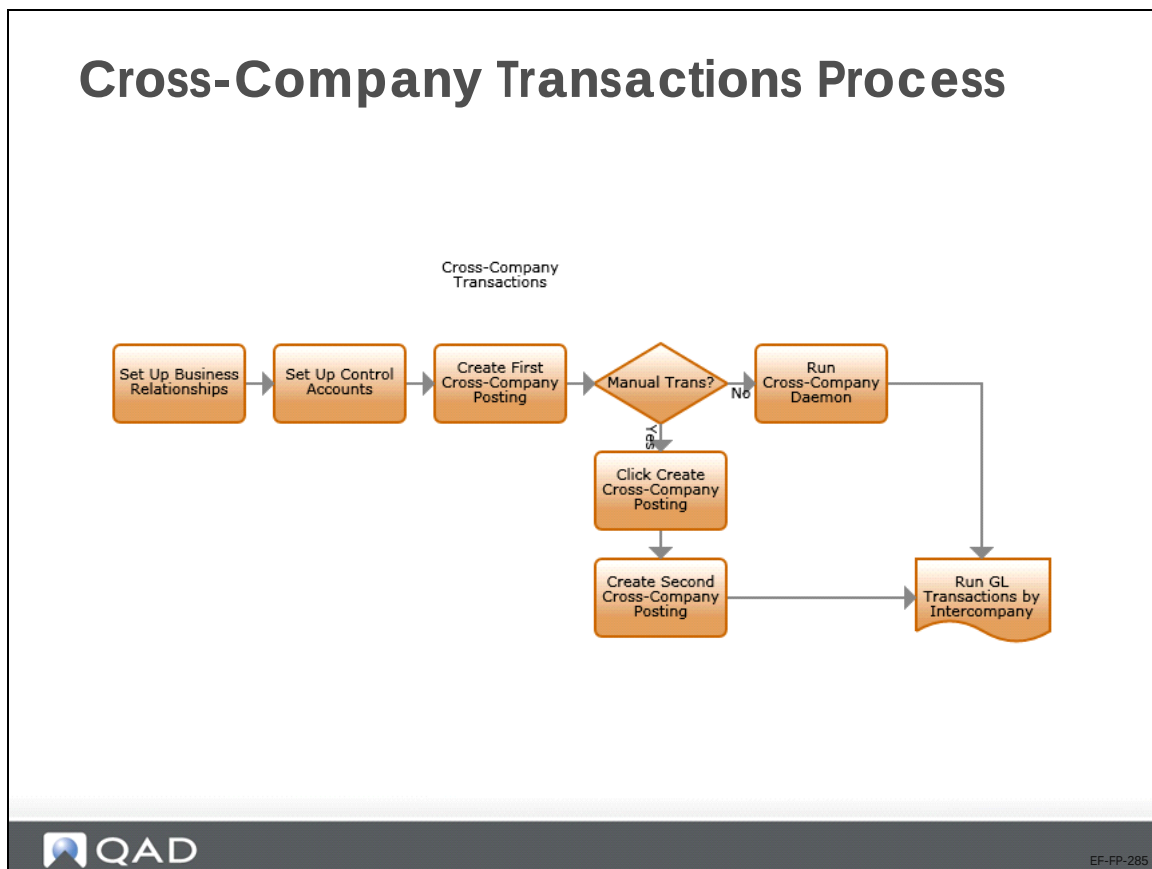
An intercompany transaction is a GL transaction or journal entry that affects only one entity, but contains an intercompany code within the GL transaction, as a reference to another entity. The GL transaction posts to one entity only. Use this feature to isolate internal transactions from those that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

Intercompany Transactions Process



The slide shows the process map for intercompany transactions.

Cross-Company Transactions Process



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

Cross-company transactions can be processed manually or automatically.

Cross-Company Postings Overview

Cross-Company Transactions Overview

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



EF-FP-290

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

Cross-Company Posting Concepts

Concepts

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



EF-FP-300

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

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

Intercompany vs. Cross-Company Accounts

Intercompany Accounts

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



EF-FP-320

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

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

Cross-Company Transaction Types

Cross-Company Transaction Types

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



EF-FP-330

Journal entries

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

Banking entries

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

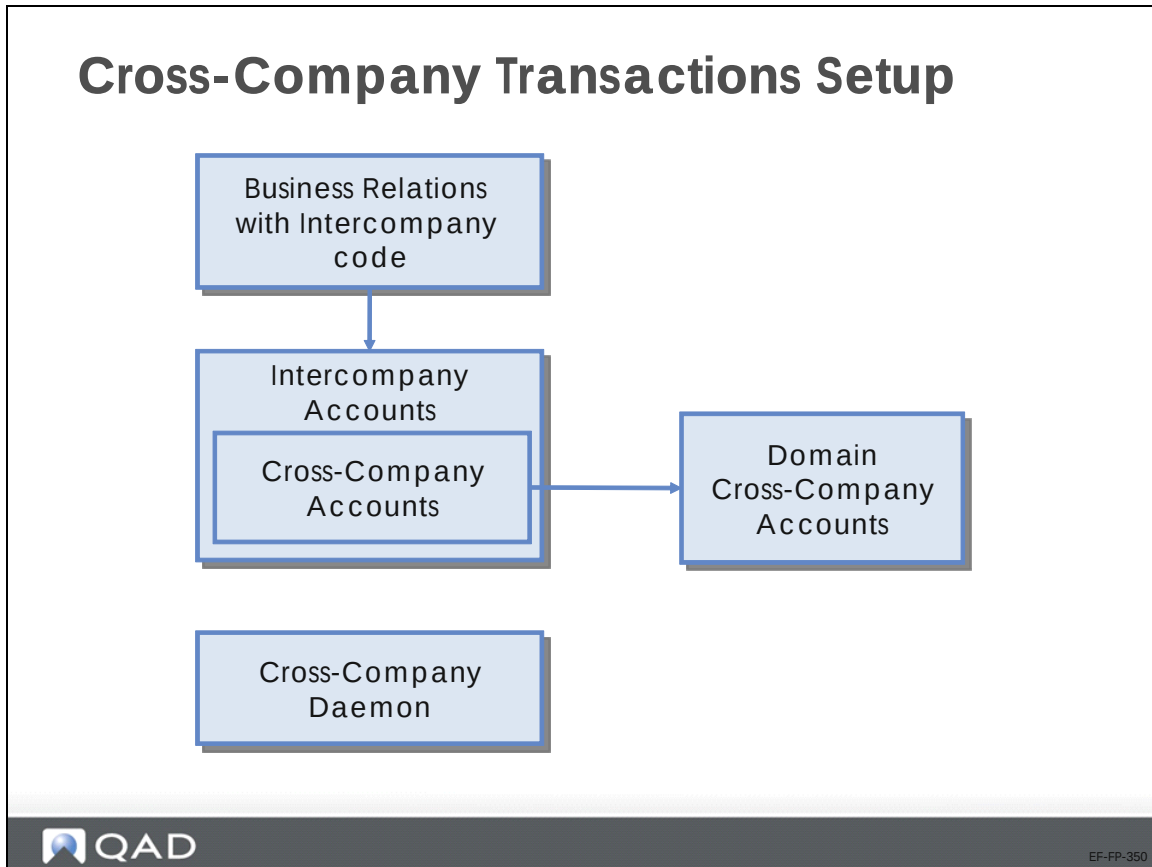
When a payment is recorded for a supplier for open items registered in another entity.

Payment selections

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

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

Cross-Company Transaction Setup Flow



We will review these steps shown above in more detail.

Setup Requirements

Setup Requirements

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

The left screenshot shows the 'Address Info' tab of a form. The 'Intercompany Code' field is set to '10-USA-CO' and is highlighted with a red box. Other fields include 'Language Code' (us), 'Domain Restricted' (unchecked), 'Internal Entity' (checked), and 'Intercompany' (checked).

The right screenshot shows the 'Domain Modify' window. The 'Cross-Company' tab is selected, showing a list of GL accounts for the domain '10USA'. The accounts listed are: Accounts Receivable GL Account (1950), Accounts Payable GL Account (2950), Inventory GL Account (1960), Manual Journal Entry GL Account (1970), and Fixed Assets GL Account (1990).



EF-FP-340

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

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

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

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

Cross-Company Transaction Example

Cross-Company Transaction Example

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



EF-FP-360

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

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

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

US Exercise: Cross-Company Posting

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

Log in to entity 10USACO

Use the following parameters (if needed):

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

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

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

In entity 10USACO:

DR GL 1970 (IC Manual JE GL Acct)

CR GL 4800 (Income)

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

In Entity 11CANCO

CR GL 1975 (IC Manual JE GL Acct) USD

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

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

EMEA Exercise: Cross-Company Posting

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

Use the following parameters (if needed):

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

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

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

In entity 22UKCO:

DR GL 1970 (IC Manual JE GL Acct) GBP

CR GL 4800 (Income) GBP

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

In Entity 11CANCO

CR GL 1975 (IC Manual JE GL Acct) GBP

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

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

Posting in 22UKCO

Posting in 11CANCO

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

Mass Layer Transfer

General Ledger Transactions

- General Ledger transactions flow
- General Ledger transactions highlights
 - Open Item Adjustments
 - Revaluation posting
 - Journal Entry
 - Journal Entry Templates
 - Reversing Transactions
 - Recurring Entry
 - Cross-company posting
 - **Mass Layer Transfer**
- General Ledger transactions reporting

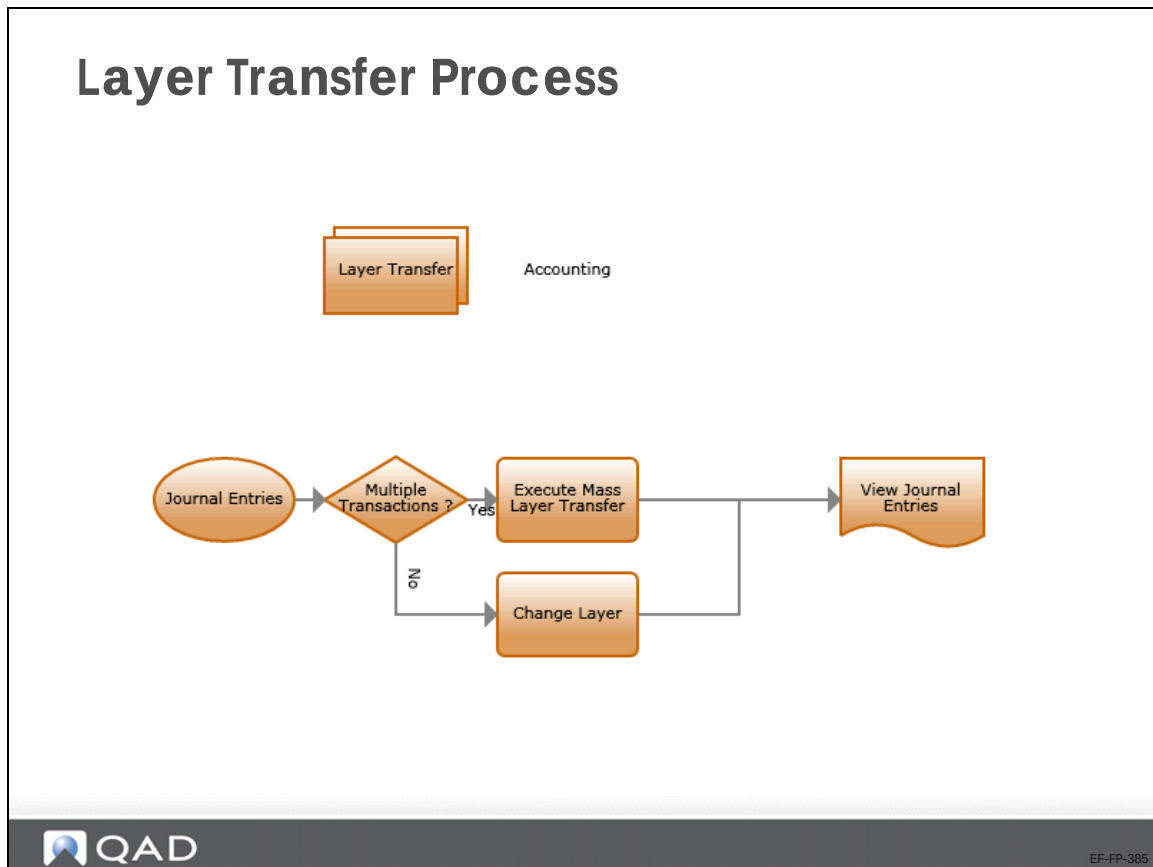


EF-FP-380

Unfinalized transactions are generally posted to daybooks in a transient layer for review or for simulation purposes. Mass layer transfer lets you move transactions from the transient layer to the primary or secondary layers. When transactions are moved to another layer, the overall account balances remain the same, but the balances are now stored in the layer to which you have moved them.

Let's review this process in more detail.

Layer Transfer Process



Above is displayed the layer transfer process map, for both manual and automatic (mass) processes.

Mass Layer Transfer Highlights

Mass Layer Transfer

- Transfer batches of transactions
 - from transient to primary or secondary layer
- Origin daybook type equals target daybook type
- Several selection criteria
- Repetitive selection, but only one target daybook



EF-FP-390

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

When transferring, the target daybook must have the same daybook type as the original transient daybook.

If you do not specify a source daybook, all transactions in the source GL layer that meet the other selection criteria (such as GL period or posting date) are selected for transfer.

Mass Layer Transfer Execute

Mass Layer Transfer Execute

Mass Layer Transfer Execute

Go To Actions Tools Print Preview

Transient Layer Code Trans-Approve

Daybook Code CONDETR

Year/GL Period From 2008 04 Year/GL Period To 2008 06

Posting Date From 04/01/2008 Posting Date To 06/30/2008

Description Approved GL Cons

Target Daybook Code CONDEOF Target Layer Code OFFICIAL Add

Select Voucher Description Target Daybook Code Year GL Period Daybook Code Layer Code

Use Mass Layer Transfer Execute (25.13.11) to transfer postings. Indicate the Transient Layer Code, the daybook code and the Year/Period.

The Target Layer Code field is read only, based on the target daybook code.

General Ledger Transactions Reporting

General Ledger Transactions

- General Ledger transactions flow
- General Ledger transactions highlights
 - Open Item Adjustments
 - Revaluation posting
 - Journal Entry
 - Journal Entry Templates
 - Reversing Transactions
 - Recurring Entry
 - Cross-company posting
 - Mass Layer Transfer
- **General Ledger transactions reporting**



EF-FP-420

The system provides a wide range of analytical reports. The budgeting and GL activity reports let you to view and manage account balances in the general ledger. The GL transaction reports let you monitor transactions in the general ledger. Running reports by daybooks enables you to group, analyze and report on similar transactions.

General Ledger Reporting Highlights

General Ledger Reporting Highlights

- Daybooks
- Detailed, summarized
- One or more entities
- Supplementary Analysis Fields
- GL Transactions Reports and Views
- Analytical Transactions Reports and Views
- Closing Reports
- Structured Reports
 - Balance Sheets and Income Statements



EF-FP-430

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

GL reports are grouped according to the chart of accounts, and cannot include budget structures. They are grouped as follows:

- GL Transaction Activity Reports Menu (25.15.1) and Views (25.15.2). See more details on the following pages.
- Analytical Transaction Reports (25.13.3) and Views (25.13.4) are reports and views for detailed transactional analysis, project, cost center and SAFs.
- Closing Process Reports (25.21.2): A number of reports are provided to facilitate the closing process. These reports are all on the Closing Process Reports menu (25.21.2) except for the Revaluation Report, which is grouped with other revaluation activities.

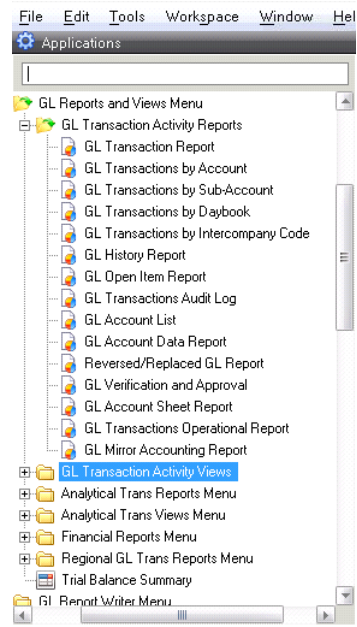
Structured Reports are Balance Sheet and Income Statement reports. These are handled in a separate section of this class, as well as budget reports.

In this section, we will concentrate on GL transactions activity reports and views.

GL Transactions Activity Reports

GL Transactions Reports

- GL Transactions Report
- GL Transactions by
 - Account
 - Sub-Account
 - Daybook
 - Intercompany Code
- GL History Report
- GL Transactions Audit Log
- Reversed, Replaced GL Report
- GL Transactions Operational Report



EF-FP-440

Some of the available GL transactions activity reports are:

- GL Transactions and GL Transactions by Account or Sub-Account (described on next slides).
- GL Transactions by Daybook Report, which lists all activity for the selected GL accounts during the selected time frame, grouped by daybook.
- GL Transactions by Intercompany Report, which lists all activity for the selected GL accounts and time frame, grouped by intercompany code.
- GL History Report, which lists transactions on the GL accounts that meet the selection criteria for the periods indicated. It also lists the currency in which each transaction was denominated.
- GL Open Item Report, which lists and totals GL open items within the Open Items sub-ledger. The output is grouped by allocation key.
- GL Transactions Audit Log Report, which prints a detailed list of each transaction for a particular GL period. It is only possible to run the report for a single GL period.
- Reversed/Replaced GL Report, which displays a list of all reversed/replaced GL transactions for the period indicated in the selection criteria.
- GL Transactions Operational Report, which is similar to GL Transaction Report (25.15.1.1), but focuses on transactions created from operational transactions and their associated details, such as the GL reference, transaction type, doc type, and address.

For the complete list of available reports, refer to the *User Guide: QAD Financials*.

GL Transaction Report—Example

GL Transaction Report							
		GL Transaction Report					Test Company Primary Page 1 / 466
GL Account	GL Description	Sub-Acct	Description	USD Debit	USD Credit	TC Debit	TC Credit Curr
GL Period: 2008/01							
Daybook CI (Customer Invoices)			Entity 1000	11,975.00	11,975.00		Layer OFFICIALayer
Voucher: 000000041 Posting Date: 01/31/2008				250.00	250.00		
1200	Accounts Receivable	10	test for fin charges	250.00	0.00	250.00	0.00 USD
2400	Sales Tax Payable(1)		test for fin charges	0.00	17.44	0.00	17.44 USD
3000	Sales	10	test for fin charges	0.00	232.56	0.00	232.56 USD
Voucher: 000000042 Posting Date: 01/31/2008				225.00	225.00		
1200	Accounts Receivable	10	fdasfdsaafdsa	225.00	0.00	225.00	0.00 USD
2400	Sales Tax Payable(1)		fdasfdsaafdsa	0.00	0.00	0.00	0.00 USD
2400	Sales Tax Payable(1)		fdasfdsaafdsa	0.00	0.00	0.00	0.00 USD
3000	Sales	10	fdasfdsaafdsa	0.00	225.00	0.00	225.00 USD
Voucher: 000000043 Posting Date: 01/31/2008				1,500.00	1,500.00		
1200	Accounts Receivable	10	testestes	1,500.00	0.00	1,500.00	0.00 USD
2400	Sales Tax Payable(1)		testestes	0.00	104.65	0.00	104.65 USD
3000	Sales	10	testestes	0.00	1,395.35	0.00	1,395.35 USD
Voucher: 000000050 Posting Date: 01/04/2008				10,000.00	10,000.00		
1200	Accounts Receivable	10	hfdkaskl	10,000.00	0.00	10,000.00	0.00 USD
2400	Sales Tax Payable(1)		hfdkaskl	0.00	0.00	0.00	0.00 USD
2400	Sales Tax Payable(1)		hfdkaskl	0.00	0.00	0.00	0.00 USD
3000	Sales	10	hfdkaskl	0.00	10,000.00	0.00	10,000.00 USD

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

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GL Period	Posting Date	Voucher	Entity	Description	Ext. Invoice Ref.	Business Relation	Activity			Batch	Qty Unit
							USD Debit	USD Credit	USD Balance		
200902	02/11/2009	ERSINV/0000000002	1000	test man 7 5030	200902 ersinv (		0.00	500.00	7,562.68DR		
200902	02/11/2009	SI0000000007	1000	test 5030	200902 SI 0000			1,250.00	6,312.68DR		
200902	02/12/2009	APINVFin/0000000047	1000	test Fin-998 3000	200902 APINVFin			10,000.00	3,687.32CR		
200902	02/12/2009	ADAPINV/0000000019	1000	HHHHH 3000	200902 GADAF			990.00	4,677.32CR		
200902	02/12/2009	SI0000000006	1000	test 3000	200902 SI 0000			500.00	5,177.32CR		
200902	02/13/2009	ADJE/0000000044	1000	line 4 posting			0.00		5,179.32CR		
200902	02/13/2009	ADJE/0000000010	1000	Check 09/0000000029			1.00	0.00	5,178.32CR		
2010		Payment In Process									
					Opening Balance		4,335.54	133,230.97	13,895.43CR		
					Transactions		49.00	16,139.60	16,139.60CR		
					Closing Balance		4,384.54	149,419.57	15,035.03CR		

[illegible]

- GL Transactions by Account Report

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

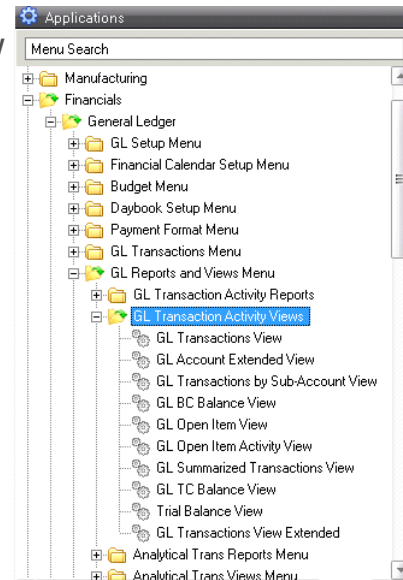
- GL Transactions by Sub-Account Report

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

GL Transactions Views

GL Transactions Views

- GL Transactions View
- GL Summarized Transactions View
- GL BC Balance View
- GL TC Balance View
- GL Transaction View Extended
- Trial Balance View



EF-FP-470

The GL Transactions Views are especially useful because they allow drill down into the source document for a transaction, such as the invoice that created it. Generally, the most used views for the day to day business are:

- GL Transactions View (25.15.2.1), which displays and sums all GL transactions that meet the search criteria.
- GL Summarized Transactions View (25.15.2.7), which displays the posting history of the accounts specified in the selection criteria.
- GL BC Balance View (25.15.2.4), which shows the actual balance in base currency for all GL accounts that meet the selection criteria.
- GL TC Balance View (25.15.2.8), which shows the actual balance in transaction currency for all GL accounts that meet the selection criteria.
- GL Transaction View Extended (25.15.2.10), which displays extended details of GL accounts, including the posting sign (debit/credit), posting type, analysis, revaluation settings, shared sets, and budget groups, and discloses the full GL transaction analytical detail.
- Trial Balance View (25.15.2.9) this view can include the detail of the full allocation keys that are used within a business, such as entity, account, sub-account, cost center, project, SAFs 1-5, and intercompany code.

But this highly depends on your business needs. Refer to the *User Guide: QAD Financials* for a complete list of available GL Transaction Activity Views and their descriptions.

GL Transactions View Extended—Example

GL Transactions View Extended

Analytical key Transaction line detail data (same as normal GL Transactions View)

GL Account Browse for GL Tra... X

Actions Print Add to Favorites Chart Chart Design

Search (3)

Entity Code equals USWEST

Posting Date range 2/1/2010 - 4/2/2010

Sub-Account Code equals

Viewing 1 - 105 of 105 Records per page: All

GL Account	GL Description	Sub-Account Code	Cost Center	Description	BC Debit	BC Credit	Posting Date	Daybook
1100	Bank account USD			Withdrawal of Cash		1,000.00	04/01/2010	BEUSD
1100	Bank account USD			Incoming Customer			04/01/2010	BEUSD
1100	Bank account USD			Outgoing Payment			04/01/2010	BEUSD
1100	Bank account USD			Undocumented Payment			04/01/2010	BEUSD
1100	Bank account USD			Bank Charges			04/01/2010	BEUSD
1100	Bank account USD			Correction			04/01/2010	BEUSD
1100	Bank account USD			Incoming Transfer			04/01/2010	BEUSD
1300	Accounts Receivables	Mech		HO CU3000			04/01/2010	ARPAY
1300	Accounts Receivables	Elec		ho 1			04/01/2010	BEUSD
1300	Accounts Receivables	Elec		Incoming Customer			04/01/2010	BEUSD
1300	Accounts Receivables	Mech		be cross cy			04/01/2010	BEUSD
1300	Accounts Receivables	Elec		2010/CIMCOR0			03/31/2010	CADJ
1300	Accounts Receivables	Elec		2010/CINV0000			03/31/2010	CADJ
1300	Accounts Receivables	Elec		CCN Explore			03/31/2010	CCNM
1300	Accounts Receivables	Elec		CU 9000 HD1			03/31/2010	CIM
1300	Accounts Receivables	Mech		HO CU3000 MIS			04/01/2010	CIM
1300	Accounts Receivables	Elec		Posted Invoice			03/31/2010	CIMCOR
1300	Accounts Receivables	Elec		Posted Invoice			03/31/2010	CINV
1300	Accounts Receivables	Elec		Posted Invoice			03/31/2010	CINV

QAD

EF-FP-480

In addition to letting you view GL transactions on all analytical levels (sub-accounts, cost centers, projects, SAFs, as well as intercompany, daybook, and currency), GL Transactions View Extended (25.15.2.10) allows you to summarize activity for any of these levels.

The right-click option gives you direct access to other reports and views as well as record creation and Excel integration menus. The following right-click options are available:

- Create
Opens GL Account Create (25.3.13.1).
- Excel Integration
Opens GL Account Excel Integration (25.3.13.5).
- GL Balance
Opens the GL Account Browse for GL Balance.
- Open Item Activity
Displays detailed information on activities for GL open item accounts.
- General Ledger Account Extended
Displays extended details of GL accounts, including the posting sign (debit/credit), posting type, analysis, revaluation settings, shared sets, and budget groups.
- Open Items
Displays and sums all transactions on GL open item accounts that meet the search criteria.

- **GL Transactions**
Opens the GL Account Browse for GL Transactions.
- **GL TC Balance**
Displays the actual balance in transaction currency for all GL accounts that meet the selection criteria.
- **GL Summarized Transactions**
Displays summarized posting history for the accounts specified in the selection criteria.
- **Trial Balance View**
- **GL Transactions View Extended**
- **Cross-Company GL Transactions**
Opens the GL Account Browse for Cross-Company GL Transactions.
- **View Journal Entry**
Opens Journal Entry View in a separate window and displays the postings for the transaction.
- **View Banking Entry Transaction**
When you select a GL transaction for a banking entry, the system opens a separate Banking Entry View window that displays the specific banking entry you selected. The option to view the source detail is also available for customer and supplier invoices, customer and supplier payments, receiver matchings, petty cash, and banking entry transactions.
- **View Petty Cash Transaction**
- **View Customer Invoice**
- **View Supplier Invoice**
- **View Customer Payment**
- **View Supplier Payment**
- **View Receiver Matching**
- **View Inventory Transactions Detail Inquiry**
When you select a GL transaction for an associated operational inventory control transaction, the system opens the Inventory Transactions Detail Inquiry, which displays details on the original inventory transaction.
- **View Operational Transactions Detail Inquiry**
When you select a GL transaction for an associated operational work order transaction, the system opens the Operational Transactions Detail Inquiry, which display details on the original work order transaction.
- **Dump XML**
Lets you dump the selected rows in XML format.
- **Force Publish**
Publishes a business event for the selected GL transaction. A business event in this case is any modification to a Financials business object; for example, create, modify, or delete. By publishing the event, the system ensures that the update is passed to the QXtend Outbound database and replicated to other instances of Financials or third-party applications. This facility eliminates the need for the other applications to extract the data directly from the Financials database.

In order to publish an event for journal entries, for example, you must first define an event for the Journal Entry component using Event Configuration Create (36.14.16.15.1). In Event Configuration Create, you select the Publish Any Update field to ensure that all data updates for the business object for which you defined the event are published to QXtend.

See *User Guide: QAD System Administration* for more information.

Trial Balance View—Example

Trial Balance View

The screenshot displays the QAD Trial Balance View interface. At the top, a diagram shows the hierarchy of analytical elements: Entity, GL Account, Sub-Account, Cost Center, Project, SAF 1, SAF 2, SAF 3, SAF 4, SAF 5, SAF 6, SAF 7, SAF 8, SAF 9, SAF 10, SAF 11, SAF 12, SAF 13, SAF 14, SAF 15, SAF 16, SAF 17, SAF 18, SAF 19, SAF 20, SAF 21, SAF 22, SAF 23, SAF 24, SAF 25, SAF 26, SAF 27, SAF 28, SAF 29, SAF 30, SAF 31, SAF 32, SAF 33, SAF 34, SAF 35, SAF 36, SAF 37, SAF 38, SAF 39, SAF 40, SAF 41, SAF 42, SAF 43, SAF 44, SAF 45, SAF 46, SAF 47, SAF 48, SAF 49, SAF 50, SAF 51, SAF 52, SAF 53, SAF 54, SAF 55, SAF 56, SAF 57, SAF 58, SAF 59, SAF 60, SAF 61, SAF 62, SAF 63, SAF 64, SAF 65, SAF 66, SAF 67, SAF 68, SAF 69, SAF 70, SAF 71, SAF 72, SAF 73, SAF 74, SAF 75, SAF 76, SAF 77, SAF 78, SAF 79, SAF 80, SAF 81, SAF 82, SAF 83, SAF 84, SAF 85, SAF 86, SAF 87, SAF 88, SAF 89, SAF 90, SAF 91, SAF 92, SAF 93, SAF 94, SAF 95, SAF 96, SAF 97, SAF 98, SAF 99, SAF 100. Below this, a search bar allows filtering by Entity Code, Year/GL Period, GL Account, and Summarize Project. The main table displays GL Accounts and their balances. A right-click context menu is open, showing various options including a unique option for viewing GL Transactions by criterion.

The Trial Balance View (25.15.2.9) lets you view balance details for the combinations of analytical elements that meet the selection criteria. You can use the view to ensure that the total of the debit balances equals the total of the credit balances for the selected GL periods.

The Trial Balance View contains many of the same right-click options as the GL Transactions View Extended. The following option is unique to the Trial Balance View:

- GL Transactions Details
Opens the Posting Browse for GL Transaction details.

The Trial Balance View also contains some additional filtering options in relation to the GL Transactions View Extended (25.15.2.10). Here is an example of how to make use of the filters:

Example You are managing two cost centers (CC1, CC2) and three projects (PJ1, PJ2, and PJ3). Each cost center or project has a manager reporting to you. At the end of last month, you have the following cost data:

Cost Center	Project	Cost
CC1	PJ1	10
CC2	PJ1	20
CC1	PJ2	25
CC2	PJ3	43
CC2	PJ3	21

As the manager, you want to see the performance of each cost center's manager on cost control. By choosing Summarize Projects, you can see the following data:

Cost Center	Project	Cost
CC1		35
CC2		84

Similarly, you can see the performance of project managers by choosing Summarize Cost Centers:

Cost Center	Project	Cost
	PJ1	30
	PJ1	25
	PJ3	64

If you want to see your own performance on cost control, choose Summarize Cost Centers and Summarize Projects:

Cost Center	Project	Cost
		119

Chapter Review

Review

1. What are the three layers that GL transactions can be posted in?
2. What is the unique layer that operational transactions are posted in?
3. What are the two types of JE reversal entries? What is the difference between those two postings?
4. What is the difference between cross-company and intercompany postings?
5. What type of journal entries would you use to post rent, or monthly maintenance fees?
6. What is meant with “progressive disclosure” of journal entry view?
7. What are three usages of journal entry templates?
8. What are the two GL transactions views that allow you to review the detail of the full allocation key?



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Test your acquired knowledge by trying to answer the above questions. Verify your answers with the ones given below.

- 1 Primary, secondary and transient.
- 2 Primary
- 3 Reversal or correction. Correction entries are posted at the same GL side as the original posting, with negative sign.
- 4 Cross-company involves entities within the same database, intercompany involves entities in different databases.
- 5 Recurring journal entries, with a posting template
- 6 By drilling down, the user can progressively view the entire posting details (GL account, sub-account, cost center, project, SAF postings).
- 7 Recurring entries, repetitive postings, allocations

US Exercise: 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.

Please follow the instructions and ask additional information if something is not clear. Use the following parameters (if needed):

- Log on using the user QMI to the entity 10USACO / Site: 10-100
- Sub-account: use the default or else use Gserv
- Cost center: use the default or else use Adm
- Period: current period
- For all other fields: use the lookup and choose from the list.

- 1 In Daybook Create (25.8.1.1), create a new daybook BENWUSD of type Banking Entries controlled by Financials.

Field	Value
Daybook Code:	BENWUSD
Description:	BENWUSD
Daybook Type:	Banking Entries
Layer Code:	Primary
Daybook Control:	Financial
Daybook Group Code:	DGC-BE

- 2 In Profile Create (36.1.1.4.1), create profile code BENWUSD and link the daybook BENWUSD to it for the relevant shared set.

Field	Value
Profile Code:	BENWUSD
Profile Type:	Banking Entry Daybook Profile

- 3 In GL Account Create (25.3.13.1), create a new GL account 1112 of type Bank Account.

Field	Value
GL Account:	1112
Description:	Bank USD
GL Type:	Bank Account

Field	Value
Category:	Asset

Currency Tab

Currency Code:	USD

Banking Tab

Entity:	10USACO
Bank Format:	XX
Own Bank Number:	87654321
Banking Daybook Profile:	BENWUSD
AP Discount Account:	5700
AR Discount Account:	4220

- 4 Use Bank Payment Format Link (25.11.2) to link the newly-created bank account in (3) to the payment format.

Format	Module	Payment Instrument
US-CHECK	Accounts Payable	Check
CUST-CHECK	Accounts Receivable	Check

- 5 In Supplier Payment Status Create (28.9.1.1.1), set up statuses for payment instrument Check using the following parameters:

Field / Status	Initial	For Collection	Paid	Bounced
Bank GL Account	1112	1112	1112	1112
Daybook Code	APPAY	APPAY	APPAY	APPAY
GL Account		2080	2080	2090
Default Value Days	0	0	0	0

- 6 Use Supplier Payment Status View (28.9.1.1.3) to review the payment statuses just created.
- 7 In Supplier Modify (28.20.1.2), add the newly-created bank account to the following suppliers in combination with the payment format US-CHECK:

10S1003

10S1005

Note Ensure that only one bank account is marked as the default for the current entity.

- 8 In Purchase Order Maintenance (5.7), create a purchase order for supplier 10S1005 for 2,000 EA of item 02002 at 0.50 USD each. The PO is non-taxable. The item site is 10-200.
- 9 Receive the full purchase order in Purchase Order Receipts (5.13.1).
- 10 Use Operational Transaction Post (25.13.7) to post the transaction from this receipt.
- 11 Use Supplier Invoice Create (28.1.1.1) to create a supplier invoice of \$1,000.00 for supplier 10S1005. Link it to the newly-created bank account (GL 1112) with payment format US-CHECK, and match it against the PO receipt.

Currency USD, nontaxable

Ensure you select the correct bank account and set the amount to pay.

No variances

- 12** Use Supplier Invoice Create (28.1.1.1) to create an expense supplier invoice of \$5,000.00 for 10S1003, and link it to the newly-created bank (GL 1112) with payment format US-CHECK.

Currency USD, Non taxable, Invoice Status Code = OK2PAY

Ensure you select the correct bank and set the amount to pay.

Allocate the costs to the accrual account 2470, sub-account Elec.

- 13** Use Supplier Invoice View (28.1.1.3) to review the invoices just created.

Try changing the columns selected and the order of the columns to tailor the view to your needs.

- 14** Create a new SAF structure, Introduction.

- a** Use SAF Concept Create (25.3.7.1.1) to create the following concepts:

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

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

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

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

Leave the other fields blank.

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

Leave the other fields blank.

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

Leave the other fields blank.

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

Leave the other fields blank.

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

Leave the other fields blank.

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

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

Add concepts Campaign and Market to the SAF structure.

- 16** Use GL Account Create (25.3.13.1) to create a new GL account 7410, Market Introduction.

Field	Value
Account:	7410
Description:	Market Introduction
GL Type:	Standard Account
Category:	Expense

Analysis Tab

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

- 17** Use Journal Entry Create (25.13.1.1) to create a journal entry template (markintro) allocating \$1,000.00 of the accrual account 2470 in (11) to 7410, Market Introduction.

Warning Ensure you use the correct daybook.

- 18** Use Recurring Entry Create (25.13.4.1) to create a recurring journal entry (code = AMI-1) for three months, starting in the current GL period, using the template created at (17).

Post to primary layer (JE)

Amount: 1250, no reversal

- 19** Use Recurring Entry Post (25.13.4.5) to post the recurring entry for the first month.

- 20** Use Journal Entry View (25.13.1.3) to review the journal entry.

Try changing the columns selected and the order of the columns to tailor the view to your needs.

- 21 Use Supplier Payment Selection Create (28.9.4.1) to create a selection (code = PS-1) that includes the two invoices created in (11) and (12). The bank account to use is GL 1112 and the payment format is US-CHECK.
- 22 Confirm the payment selection (28.9.4.5) and print the supplier checks (28.9.9.3).
- 23 Go to Supplier Payment Mass Change (28.9.3.5) and change the status of your supplier check of \$5,000.00 USD to Paid.
- 24 Go to Supplier Payment View (28.9.3.3) and review the outstanding supplier checks.
- 25 Check the postings for the creation and payment of supplier checks in Journal Entry View (25.13.1.3).
- 26 Check the movements on the bank GL account in GL Transactions View (25.15.2.1).
- 27 Run the report GL Transaction by Daybook (25.15.1.4) for both the banking entries and the entries in the supplier payment daybook.
- 28 Create a new business relation using Business Relation Create (36.1.4.3.1).

Field	Value
Business Relation:	10-C1006
Name:	Reston Plastics
Head Office Address:	532 Broadway, New York, NY 10012, US
Primary Contact:	Mr. A. Schwartz, General Manager Telephone: 212 555 1212

- 29 Use Customer Create (27.20.1.1) to create a new customer 10C1006 linked to the business relation 10-C1006.

Field	Value
Customer Type:	DIST
Credit Term:	CASH
Bank Account:	7777
Bank Format:	XX

Link this to the own bank account for GL 1112 and payment format CUST-Check.

Be sure this customer is ready to use in operational transactions by linking it to site 10-100 in Customer Data Maintenance (2.1.1).

- 30 Use Customer Payment Status Create (27.6.2.1) to create payment statuses for payment instrument Check and using the following parameters:

Field	Value
Bank Account Code:	1112
Daybook:	ARPAY
Customer Payment Account:	1380

Field	Value
Customer Payment Account Bounced:	1390
Statuses to set up	Initial, For Collection, Paid, Bounced

- 31 Use Sales Order Maintenance (7.1.1) to create sales order SC1000 for customer 10C1006. 1000 of item 02003 (standard connectors) at \$2.34 USD each (total value = \$2,340.00).
- 32 Ship sales order SC1000 using Sales Order Shipments (7.9.15).
- 33 Produce one or more reports showing the uninvoiced sales order.
- 34 Produce a report that shows the unposted transactions.
- 35 Post the unposted transactions of type ISS-SO using Operational Transactions Post (25.13.7).
- 36 View the journal entry (Journal Entry View (25.13.1.3)) for the transaction type ISS-SO.
- 37 Create a sales invoice for SO SC1000 using Invoice Post and Print (7.13.4).
- 38 Review the customer invoice (27.1.1.3)
- 39 Produce a customer aging (27.17.6) as of the last day of the next GL period for customer 10C1006.
- 40 Produce a customer statement of account for customer 10C1006 as of the last day of the next GL period (27.17.19).
- 41 Create a credit note (27.1.1.1) for customer 10C1006 for \$340 USD and link this to the open invoice of \$2,340 USD using Open Item Adjustment (25.13.5).
- 42 Receive a check for 2000 USD from customer 10C1006 (For Collection payment status), and link this to the open invoice using Customer Payment Create (27.6.6.1).
Review the customer payment in Customer Payment View (27.6.4.3).
- 43 Change the status of the customer check (10C1006, value \$2000.00 USD) to Bounced using Customer Payment Mass Change (27.6.4.5).
- 44 You receive a payment of \$2000.00 USD from customer 10C1006 to bank account 1112. Post this against the invoice. Use Banking Entry Create (31.1.1).
- 45 Create a customer account activity report for customer 10C1006 (27.17.3).
- 46 Review the Customer Activity Dashboard (27.18.1) for customer 10C1006.

EMEA Exercise: Complete Financial Business Flow

In this exercise, you will learn how to:

- 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.

Please follow the instructions and ask for additional information if something is not clear. Use the following parameters (if needed):

- Log on as the user qmi to entity 22UKCO
- Sub-account: use the default or else use Gserv
- Cost center: use the default or else use Adm
- Period: current period (= period of system date)
- For all other fields, use the lookup and choose from the list.

- 1 In Daybook Group Create, create a new daybook group:

Field	Value
Daybook Group Code:	BANK-TRANS
Description:	Banking

- 2 In Daybook Create (25.8.1.1), create a new daybook of type Banking Entries controlled by Financials.

Field	Value
Daybook Code:	BENWGBP
Description:	BENWGBP
Daybook Type:	Banking Entries
Layer Code:	Primary
Daybook Control:	Financial
Daybook Group Code:	BANK-TRANS

- 3 In Profile Create (36.1.1.4.1), create a new profile and link the daybook BENWGBP to it for the relevant shared set.

Field	Value
Profile Code:	BENWGBP
Profile Type:	Banking Entry Daybook Profile

- 4 In GL Account Create (25.3.13.1), create a new GL account of type Bank Account.

Field	Value
Account:	12300
GL Type:	Bank Account
Budget Group:	Cash and Equivalent
Category:	Asset

Currency Tab

Currency:	GBP

Banking Tab

Bank Format:	XX
Bank Account No:	12345678

Banking Daybook Profile:	BENWGBP
AP Discount Account:	5700
AR Discount Account:	4220

- 5 Using Bank Payment Format Link (25.11.2), link the newly-created bank account in step (3) to the following payment formats.

Format	Module	Payment Instrument
UK-ELEC	Accounts Payable	Electronic
GENERIC-DRAFT-AR	Accounts Receivable	Direct Debit

- 6 In Supplier Payment Status Create (28.9.1.1.1), set up statuses for payment instrument Electronic Transfer with the following parameters:

Field / Status	Initial	For Collection	Paid
Bank GL Account	12300	12300	12300
Daybook Code	APPAY	APPAY	APPAY
GL Account		2080	2080
Default Value Days	0	0	0

- 7 Use Supplier Payment Status View (28.9.1.1.3) to review the payment statuses just created.
- 8 In Supplier Modify (28.20.1.2), add the newly-created bank account to the following suppliers in combination with the payment format UK-ELEC:

22S1000

22S1001

Note Ensure that only one bank account is marked as the default for the current entity.

- 9 In Purchase Order Maintenance (5.7), create a purchase order for supplier 22S1000 for quantity 1000 EA of item number 60005 at 2.35 GBP each.
- 10 Use Purchase Order Receipts (5.13.1) to fully receive this purchase order (Currency GBP and not taxable)
- 11 Use Operational Transaction Post (25.13.7) to post the transaction from this receipt.

- 12** Use Supplier Invoice Create (28.1.1.1) to create a supplier invoice of 2350 GBP for 22S1000. Link it to the newly-created bank account (GL 12300) using payment format UK-ELEC, and match it against the Purchase Order receipt.

Currency GBP, non taxable

Ensure you select the correct bank account and set the amount to pay.

No variances

- 13** Use Supplier Invoice Create (28.1.1.1) to create an expense supplier invoice of 5000 GBP for 22S1001. Link it to the newly-created bank account (GL 12300) using payment format UK-ELEC.

Currency GBP, Non taxable

Ensure you select the correct bank account and set the amount to pay.

Allocate the costs to the accrual account 19100, sub-account Elec

- 14** Use Supplier Invoice View (28.1.1.3) to review the invoices just created.

Try changing the columns selected and the order of the columns to tailor the view to your needs.

- 15** Create a new SAF structure, Introduction.

- a** Use SAF Concept Create (25.3.7.1.1) to create the following concepts:

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

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

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

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

Leave the other fields blank.

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

- c** Leave the other fields blank.

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

Leave the other fields blank.

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

Leave the other fields blank.

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

Leave the other fields blank.

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

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

Add concepts Campaign and Market to the SAF structure.

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

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

Analysis Tab

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

- 18** Use Journal Entry Create (25.13.1.1) to create a journal entry template (Markintro) allocating 1000 GBP of the accrual account 2470 to 44100, Market Introduction.

Ensure you use the correct daybook (Template).

- 19** Use Recurring Entry Create (25.13.4.1) to create a recurring journal entry for three months, starting in the current GL period, using the template created at (18).

Post to primary layer (JE)

Amount: 1250, no reversal

- 20** Use Recurring Entry Post (25.13.4.5) to post the recurring entry for the first month.

- 21** Use Journal Entry View (25.13.1.3) to review the journal entry created.

Try changing the columns selected and the order of the columns to tailor the view to your needs.

- 22 Use Supplier Payment Selection Create (28.9.4.1) to create a selection that includes the two invoices created in (12) and (13). The bank account to use is GL 12300 and the payment format is UK-ELEC.
- 23 Confirm the payment selection in Supplier Payment Selection Confirm (28.9.4.5) and run the payment selection with Supplier Payment Selection Execute (28.9.4.6).
- 24 Create a bank statement for bank GL 12300 using Banking Entry Create (31.1.1)
 - a Create a bank statement line for 5000 GBP, allocate it to the appropriate payment, and save your bank statement.
- 25 Create another bank statement for bank GL 12300.
 - a Create a bank statement line for 2350.00 GBP and allocate it to the appropriate payment. Save your bank statement.
- 26 Check the banking entry postings in Journal Entry View (25.13.1.3).
- 27 Check the banking entries in Banking Entry View (31.1.3) and create a browse that you find useful.
- 28 Run the GL Transactions by Daybook report (25.15.1.4) for both the banking entries and the entries in the supplier payment daybook.

- 29 Create a new business relation using Business Relation Create (36.1.4.3.1):

Field	Value
Name:	Reston Plastics UK
Head Office Address:	11 Canter Road, Coventry, CV4 10EQ
Primary Contact:	Mr. A. Henson, General Manager Telephone 12345

- 30 Using Customer Create (27.20.1.1), set up a new customer 22C1003 linked to the business relation Reston Plastics UK.

Field	Value
Customer Type:	DIST
Credit Term:	CASH
Bank Account:	77776666 3366992244
Bank Format:	XX

Link this to the own bank with GL 12300 and payment format Generic-Draft-AR.

Make sure this customer is ready to be used for operational transactions by linking it to site 22-100 in Customer Data Maintenance (2.1.1).

- 31 Use Customer Payment Status Create (27.6.2.1) to set up customer payment statuses for payment instrument Direct Debit with the following parameters:

Field	Value
Bank Account Code:	12300
Daybook:	ARPAY
Customer Payment Account:	1380
Customer Payment Account Bounced:	1390
Statuses to set up	Initial, For Collection, Paid, Bounced

- 32 Use Sales Order Maintenance (7.1.1) to create sales order SC1000 for customer 22C1003. 1000 of item 02003 (standard connectors) at 2.34 GBP each (total value = £2,340.00).
- 33 Ship the entire sales order SC1000 using Sales Order Shipments (7.9.15).
- 34 Produce one or more reports showing the not yet invoiced sales order.
Report(s) used:
- 35 Produce a report that shows the unposted transactions
Report used:
- 36 Post the unposted transactions of type ISS-SO using Operational Transaction Post (25.13.7).
- 37 Use Journal Entry View (25.13.1.3) to view the journal entries for transactions of type ISS-SO.
- 38 Create an invoice for sales order SC1000 using Invoice Post and Print (7.13.4).
- 39 Review the customer invoice in Customer Invoice View (27.1.1.3).
- 40 Create a customer aging report as of the end of the current period (= period of system date) for customer 22C1003. Use Customer Aging Analysis Current (27.17.6).
- 41 Create a customer statement of account for customer 22C1003 as of the end of the current period. Use Customer Statement of Account (27.17.19).
- 42 Create a credit note for customer 22C1003 for 340 GBP in Customer Invoice Create (27.1.1.1). Link it to the previously created open invoice of £2,340.00 GBP using Open Item Adjustment Create (25.13.5).
- 43 Create a payment for customer 22C1003 for £2,000 GBP (direct debit, For Collection status). Use Customer Payment Create (27.6.4.1).
Review the customer payment in Customer Payment View (27.6.4.3).
- 44 Change the status of the customer payment (22C1003, value 2,000 GBP) to Bounced using Customer Payment Mass Change (27.6.4.5).
- 45 You receive a payment of 2,000 GBP from customer 22C1003 to bank GL 12300. Post this against the open invoice using Banking Entry Create (31.1.1).
- 46 Create a customer account report for customer 22C1003 using the Customer Activity report (27.17.3).
- 47 Review the Customer Activity Dashboard (27.18.1) for customer 22C1003.

