



Infor LN Financials User Guide for General Ledger

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About this Guide

This document describes the process to set up and use ledger accounts, dimensions, and transaction types. The handling of financial transactions, preparing of tax analysis, and integrations setup with other modules are also detailed.

Assumed knowledge

Understanding this document is easier if you have some basic knowledge of the functionality of the various logistic LN packages and Financials.

Document summary

This document is a compilation of the help topics for the General Ledger module that are listed under LN, Financials, Online Manual Topics.

How to read this document

This document was assembled from online help topics. As a result, references to other sections in the manual are presented as shown in the following example:

- For details, refer to To set up an integration mapping scheme. To locate the referred section, please refer to the Table of Contents or use the Index at the end of the document.

Underlined terms indicate a link to a glossary definition. If you view this document online, clicking the underlined term takes you to the glossary definition at the end of the document.

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Chapter 1: Ledger Accounts and Dimensions

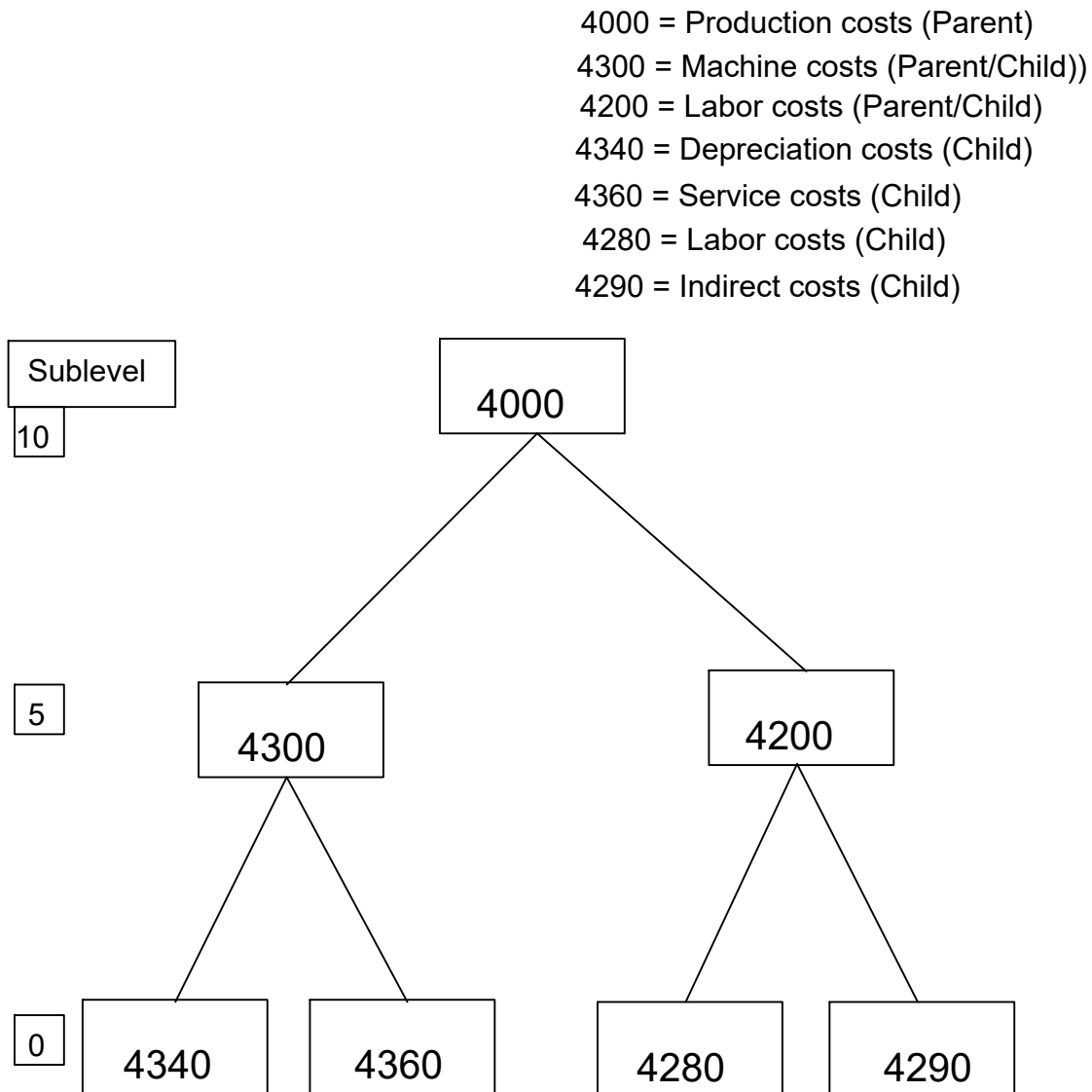
Ledger account and dimension structure

In Financials, *ledger accounts* and *dimensions* are used to track assets, liabilities, equity, profits, and losses. Separate ledger accounts are required to record the day-to-day transactions of businesses and the resulting changes on the balance sheet or profit and loss financial statements. Dimensions are optional. You can use dimensions to further classify the transactions within a ledger account.

For the accounts and dimensions, you can define *parent-child relations* for subtotaling and for consolidating the amounts on reports and inquiries. On a financial report, the amount on a parent account consists of the sum of the balances of the child accounts.

For ledger accounts, you can use 99 levels of subtotals. For dimensions, you can use 10 levels of subtotals.

The *sublevel* of a ledger account is defined in the **Chart of Accounts (tfgld0508m000)** session. Accounts with sublevel zero are posting-level accounts. Accounts with a sublevel higher than zero are parent accounts. Once the balances have been updated in the child level accounts, the parents are automatically updated. You can display or print reports by child accounts or by parent ledger accounts.



When you define the structure, these fields are important: In the **Chart of Accounts (tfgl0508m000)** session:

- **Statutory Parent Account**
- **Complementary Parent Account**
- **Sublevel**
- **Print Sequence**

In the **Dimensions (tfgl0510m000)** session:

- **Parent Dimension**
- **Sublevel**
- **Print Sequence**

How to define the totals for ledger accounts is described below. The same procedure applies to each of the dimensions.

You can define the structure for updating the totals by using the **Complementary Parent Account** and **Statutory Parent Account** fields in the **Chart of Accounts (tfgld0508m000)** session. In these fields you can specify the parent account in the *parent-child structure*.

The amounts posted to the lower-level accounts are totaled in the higher-level parent account. Parent accounts must have a sublevel greater than zero.

Example

Ledger Account		Statutory Parent Account	Sublevel
4	Total costs	-	5
400	Total of salaries	4	1
400101	Monthly salaries	400	0
400102	4-weekly salaries	400	0
400103	Weekly salaries	400	0
411	Total of social charges	4	1
411101	Social charges monthly	411	0
411102	Social charges 4-weekly	411	0
411103	Social charges weekly	411	0

You can only enter transactions in ledger accounts and dimensions with sublevel zero. You can define 99 levels for ledger accounts and 10 levels for dimensions.

The ledger account's sublevel is not used for totaling the amounts. The general ledger's parent-child structure defines in which accounts the amounts of other accounts are totaled. The sublevel is only used for printing balance sheets and trial balances, for example by using the following sessions:

- **Print Trial Balance (tfgld3402m000)**
- **Print Trial Balance - Dimensions/Ledger Accounts (tfgld3406m000)**

If you enter and process transactions in ledger accounts to which you link one or more dimensions, you can view the history of the ledger account classified by each of the dimensions. The ledger account at sublevel zero is displayed, which is classified to the dimensions at level zero.

Note:

- For ledger accounts with a sublevel greater than zero you cannot view the classification into dimensions.
- When you view the history of a dimension of any sublevel, you can also view it classified into ledger accounts. Only the ledger accounts with sublevel zero are displayed.

Ledger history

To view the transactions posted to the ledger accounts and dimensions, you can display the ledger history and the dimension history in these sessions:

- Ledger History (tfgld3501m000)
- Dimension History (tfgld3520m000)

In these sessions, you can specify a selection range based on financial company, period type, fiscal year, and fiscal period, and then have LN recalculate the balance amounts.

To find and display the transactions sorted by financial *document*, start the **Document History (tfgld1504m000)** session.

For individual ledger accounts, in the **Chart of Accounts (tfgld0508m000)** session, you can select these options:

- Currency Analysis
If you select **Required Or Required, Calculate Currency Diff.**, you can display the ledger account balances in the various transaction currencies in the **Currency Analysis (tfgld3506m000)** session. If you select **Not Required**, LN displays the total balance in the local currency.
- Business Partner Balance
If you select this check box, you must specify a business partner for every transaction posted to the ledger account. You can then display the ledger history by business partner in the **Distribution by Business Partner (tfgld3530m000)** session.
- Daily Balance
If you select this check box, you can display the amounts posted to a ledger account, summed by document date in these sessions:
 - **Distribution by Date for Ledger Account (tfgld3533m000)**
 - **Distribution by Date for Dimension/Ledger Account (tfgld3535m000)**

If you select both the **Daily Balance** check box and the **Business Partner Balance** check box, you can display the amounts by date and by business partner of the ledger history in these sessions:

- **Distribution by Date for Ledger Account by Business Partner (tfgld3534m000)**
- **Distribution by Date for Dimension/Ledger Account by Business Partner (tfgld3536m000)**

Note: If you display the distribution by date, you first select a period. The balances by date include all the transactions posted to the ledger account during the selected period. Only if you do not antedate any transactions are the balances by date completely accurate.

Print Sequence

The **Print Sequence** field defines the order in which balance sheets and trial balances are printed. If the **Print Sequence** field is empty, the ledger accounts are printed in alphanumeric order.

To print the ledger accounts in a specific order other than the alphanumeric order, enter a print sequence number. For example, you can use the print sequence number to print the child accounts followed by their

parent account. Ledger accounts for which you define a print sequence are printed at the end of the reports, in the order of their print sequence numbers.

Example

Ledger Account	Print Sequence	
40000	costs 1	10
48000	costs 2	5
50100	revenues 1	empty
50200	revenues 2	empty
TOT4	Total costs	1

LN prints the ledger accounts in the following order:

50100	revenues 1
50200	revenues 2
TOT4	Total costs
48000	costs 2
40000	costs 1

Dual Accounting

In Financials, you can use dual accounting. You can define two separate structures of ledger accounts and dimensions. One of these structures is used for fiscal reporting to the government. The other one can be used for commercial reporting to your company's management.

When you define a ledger account, you can indicate to which structure it belongs in the Dual Accounting Indicator field of the **Chart of Accounts (tfgld0508m000)** session:

- *Statutory accounts* are used for the legal reporting structure, for example, to the tax authorities.
- *Complementary accounts* can be used for the management reporting structure.

You can link a statutory account and a complementary account to a parent account. If you print the management report based on the parent accounts, on the report LN adds the amounts in the complementary account to the amount in the statutory accounts.

Example

Fixed asset:	123
Purchase value:	USD 400,000

Market value:		USD 500,000 (to be reported to the management)
Statutory account:	001231	USD 400,000 (as legally required)
Complementary account:	001232	USD 100,000 (the difference)
Parent account:	001200	USD 500,000 (the total amount)

The amount reported to the tax authorities will be: USD 400

The amount reported to the Management will be: USD (400 + 100) = USD 500

Dimension accounting

Managers need to have specific information from the general ledger about where, when, and by whom costs and revenues were generated. To provide this information, you can use *dimensions* to split the general ledger information by departments, persons responsible for the revenues, costs, properties, debts, and so on.

You can specify dimensions for control accounts for these types of transactions:

- Sales invoices open entries
- Purchase invoices open entries
- Advance and unallocated receipts
- Advance and unallocated payments
- Retained earnings

Accounts Receivable

Sales invoices result in open entries on the control accounts in Accounts Receivable. For the dimension types linked to the control accounts, LN posts the entries to the dimensions specified on the invoice header.

LN uses the dimensions of the invoice header for all subsequent invoice-related postings such as the actual receipt, and currency results.

In the **Sales Invoices (tfacr1110s000)** session, you can manually enter the dimensions on the invoice header or use the default dimensions.

To determine the default dimensions for the open entry, LN searches whether dimensions are specified at these levels, and in this order:

- 1 Invoice-to business partner, in the **Invoice-to Business Partner (tccom4112s000)** session
- 2 *Financial business-partner group*, in the **Accounts by Financial BP Group (tfacr0110m100)** session

In the integration mapping scheme, you can map the dimensions of the open entries posted to the Accounts Receivable control accounts for sales invoices. In the **Dimension Accounting** field of the **Invoicing Parameters (cisl0100m000)** session, select the *integration document type* to map the dimensions.

In Invoicing, for manual sales invoices and for fixed asset disposal, you can enter the default dimensions on the invoice header, or you can enter the dimensions separately for each invoice line.

For asset disposal transactions, you can enter the default dimensions in the **Invoicing Parameters (cisl0100m000)** session.

Accounts Payable

Purchase invoices result in open entries on the control accounts in Accounts Payable. Purchase invoices include automatically generated invoices such as self-billed invoices, debit notes, and rebates. For the dimension types linked to the control accounts, LN posts the entries to the dimensions specified on the invoice header.

LN uses the dimensions of the invoice header for all subsequent invoice-related postings such as the actual payment, and currency results.

For advance payments and unallocated payments, LN uses the dimensions specified for the invoice-from business partner or from the control account.

In the **Purchase Invoice Entry (tfacp2600m000)** session, you can manually enter the dimensions on the invoice header or use the default dimensions.

To determine the default dimensions for the open entry, LN searches whether dimensions are specified at these levels, and in this order:

- 1 For orders that consist of a single order line, the **Document Type for Dimension Accounting** selected for self-billing invoices in the **ACP Parameters (tfacp0100m000)** session.
For orders that consist of multiple lines, the dimensions of the self-billing integration document type cannot be used and LN searches for the dimensions specified for the invoice-from business partner.
- 2 Invoice-from business partner, in the **Invoice-from Business Partner (tccom4122s000)** session
- 3 *Financial business-partner group*, in the **Accounts by Financial BP Group (tfacp0110m100)** session.

Cash Management

For order-related bank transactions, LN retrieves the dimensions from the invoice header. You cannot change these dimensions.

For non-order related bank transactions such as unallocated payments and receipts, you can enter the dimensions or use the default dimensions in these sessions:

- **Bank Transactions (tfcmg2500m000)**
- **Payment Advice Lines (tfcmg1101m000)**
- **Anticipated Payments (Details) (tfcmg2116s000)**
- **Anticipated Receipts (Details) (tfcmg2117s000)**
- **Standing Orders (tfcmg1510m000)**

Retained earnings

In the **Finance Company Parameters (tfgld0503m000)** session, you can use the **Dimension Accounting on Retained Earnings** check box and specify the dimensions for the Retained Earnings account on company

level. If you clear the check box, LN derives the dimensions for retained earnings from the dimension history. The dimensions of the Retained Earnings account must be **Optional**.

Using dimensions

You can independently define *dimensions* and use them to prepare analyses of *ledger account* transactions and balances. You can use up to 12 *dimension types*. You can define a name and an entire structure of dimension codes for each of these dimension types. There is no relationship between the dimension types.

For example, you can set up these dimensions:

- Dimension Type 1 = Cost center
- Dimension Type 2 = Item group
- Dimension Type 3 = Business unit
- Dimension Type 4 = Geographical area
- Dimension Type 5 = Activities

You can separately define the dimension structure for each of these dimension types, in other words, you can set up a dimension structure for the cost centers, a structure for item groups, and so on.

You can define the number of dimension types that you use in the **Group Company Parameters (tfgld0101s000)** session. If you have several financial companies in a company group, the dimension types used apply to all the companies in the group.

You can name the dimension types and define linked objects in the **Dimension Type Descriptions (tfgld0102m000)** session. You can then define the dimension codes to be used in each company in the **Dimensions (tfgld0510m000)** session. You can also make multilevel dimension structures with totals and subtotals. You can build a dimension hierarchy of up to ten levels.

In the **Dimensions (tfgld0510m000)** session, you can define the dimensions for each dimension type, and link the dimensions to parent dimensions and child dimensions.

Dimensions are always used together with ledger accounts. For each ledger account, you can define which dimension type or types are linked to the ledger account in the **Chart of Accounts (tfgld0508m000)** session. For each dimension type, you must select whether the dimensions type is **Mandatory**, **Optional**, or **Not Used** by the ledger account.

When you enter a transaction, you must first state the ledger account. Then you must enter a dimension for each **Mandatory** dimension type that is linked to the ledger account, and you can enter a dimension for each **Optional** dimension type.

For example, the sales revenues ledger account is linked to dimension type 2 (item group) and dimension type 4 (area). The dimension type 1 (cost center) and dimension type 3 (business unit) are not used for the ledger account. The freight costs ledger account is linked to only dimension type 1 (cost center). The other dimension types are not used for the ledger account.

For each dimension type, you can define one dimension with an empty dimension code. If the dimension type is **Optional** for a ledger account, LN posts transactions for which no dimension is specified to this dimension. In this way, differences between the ledger history and the dimension history can be avoided.

In the **Cross Validation Rules (tfgld0151m000)** session, you can define the ranges of allowed dimensions by ledger accounts. You cannot change the dimension range for a ledger account that occurs in an unfinalized batch.

You can create transactions for Financials from the integration with other LN packages. You can enter these transactions into ledger accounts and into dimensions. You can define the assignment to ledger accounts through the **Mapping Scheme (tfgld4573m000)** session.

You can use the dimensions to split the transactions on the customer and supplier control accounts by departments, persons responsible for the revenues, costs, properties, debts, and so on.

The dimensions also provide the basis for the cost allocation in the Cost Accounting module. In CAT, you can allocate the costs (and any revenues) within a dimension type from one dimension code to another and from one dimension type to another.

Dimensions mapping in a segment reporting environment

If the **Segment Reporting** check box is selected in the **Group Company Parameters (tfgld0101s000)** session, the **Dimension 1 Element Group Code** for the segment dimensions are mandatory. However, for some situations, LN determines the segment dimension and hence in those cases, the **Dimension 1 Element Group Code** is not disabled.

For example, the segment *dimensions* for postings on the **Interim Revenues** set to 5 in the **Reconciliation Group** field are determined by LN (while composing the *sales invoice*) based on the credit side of the revenue analysis posting (**End Account**). Hence, the **Dimension 1 Element Group Code** for the segment is disabled.

For the following situations, segment **Dimension 1 Element Group Code** are not needed since the segment dimension value is determined by LN.

- ACP00003 Dimension Accounting ACP/Self Billing
- ACP00004 Dimension Accounting ACP/Internal Freight Invoices
- ACP00005 Dimension Accounting ACP/Commissions
- SLI00001 Dimension Accounting on Sales Invoicing
- All *integration document types* related to **Reconciliation Group** which are set to 5 under **Interim Revenues** are included with the following exceptions:

For the following scenarios, segment mapping is mandatory:

- 10081082 Interest Invoice / Revenue Analysis
- 10025093 Project Revenues / Advance Installment Paid
- 10025094 Project Revenues / Advance Installment
- 10025168 Project Revenues / Progress Payment

For the sales installments, the 'Installments Plans' feature is built to segmentize the installment postings. However, you can use the 'not-segmentized' SLS installments. For such scenarios, you can define a dimension mapping. But it's not mandatory. The following *integration document types* are involved:

- 10002093 Sales Order / Advance Installment Paid
- 10002094 Sales Order / Advance Installment
- 10002095 Sales Order / Normal Installment
- 10002096 Sales Order / Settled Guarantee Installment

Segment reporting – setup

Important:

Run the **Update Dimension Options (tfgld0208m000)** session if any of the following applies:

- You want to implement *segment reporting* after upgrading from a release prior to 10.4, and the segment's dimension option is not yet set to **Mandatory** on your accounts.
- You created or imported accounts in the **Chart of Accounts (tfgld0508m000)** session.

To set up segment reporting:

1 Group Company Parameters (tfgld0501m000)

- On the **Concepts** tab, ensure to select the **Segment Reporting** check box.
- On the **General** tab, click **Dimension Type Descriptions**.

2 Dimension Type Descriptions (tfgld0102m000)

Select one or two dimension types for segment reporting.

Source of earnings accounts - setup

To set up the source of earnings accounts, use the following sessions:

- **Chart of Accounts (tfgld0508m000)**

Define the source of earnings accounts required to support your information needs. The accounts must be **Profit & Loss** accounts and cannot be used as control accounts or have other specific functions. Statutory and complementary source of earnings accounts must correspond to the statutory and complementary Profit and Loss accounts.

If you select the **Dimension Accounting on Retained Earnings** check box in the **Finance Company Parameters (tfgld0503m000)** session, set the dimension usage of the source of earnings accounts to **Optional**.

- **Finance Company Parameters (tfgld0503m000)**

In the **Balancing Method** field, select **Source of Earnings**.

- **Source of Earnings (tfgld0138m000)**

Define the sources of earnings and the corresponding ledger accounts for the balancing of the Profit and Loss accounts.

- **Chart of Accounts (tfgld0508m000)**

For newly defined and existing **Profit & Loss** accounts, in the **Source of Earnings** field, select the source of earnings for the Profit and Loss ledger account.

Example of balancing by source of earnings

In this example, the following accounts are balanced:

Profit and Loss account	Debit/ Credit	Amount	Source of earnings account
Costs of Goods Sold	Debit	400	Operating Results
Sales Revenue	Credit	1000	Operating Results
Restructuring Charges	Debit	50	Extraordinary Results

If you use the **Source of Earnings** balancing method, when you run the **Automatic Balancing (tfgld6202m000)** session LN creates the postings described here.

To balance the Profit and Loss accounts:

Ledger account	Debit/ Credit	Amount
Costs of Goods Sold	Credit	400
Sales Revenue	Debit	1000
Operating Results	Credit	600
Restructuring Charges	Credit	50
Extraordinary Results	Debit	50

Financial integrations - overview

In an integrated LN system, most of the financial postings result from logistic transactions. For example, a warehouse issue is an operational transaction that requires financial postings. For each transaction that must be reflected in Financials, LN generates an *integration transaction*.

Depending on the company's information requirements, reconciliation requirements, and reporting obligations, specific types of integration transactions must be posted to specific ledger accounts and dimensions. To post the integration transactions, LN determines the ledger accounts and dimensions based on the *integration mapping scheme*. For more information, refer to *To set up an integration mapping scheme*.

When you process the integration transactions, LN determines the ledger accounts and dimensions based on the integration mapping scheme. You can map individual transactions to other ledger accounts than defined in the integration mapping scheme. For more information, refer to *To process integration transactions*.

Note: For a complete description of integration document types and integration transactions, see the *LN Financials - Financial Integration and Reconciliation Transactions guide*.

Chapter 2: Transaction Master Data

Using transaction types

You enter transactions based on *transaction types*. The transaction types are grouped by *transaction category*.

Transaction types control the following:

- Whether the ledger history and the dimension history must be updated when you enter a transaction (**Real Time Processing**) or when you finalize the batch (**Batch Processing**).
- How to generate document numbers.
- Whether document numbers must succeed each other.
- Which sessions are used for entering transactions.

You can define transaction types in the **Transaction Types (tfgld0511m000)** session. The **History Update Mode** field defines when LN must update the general ledger history. The **Transaction Category** field defines the category to which the transaction type belongs.

The document numbers of transactions are kept together by transaction type. A document number can be used only once in combination with one transaction type. Within a transaction type and a document number you can enter transaction lines. In this way you can see that, for example, a ledger transaction and an *open invoice* are related.

To define which sessions are used to create a transaction, use the **Main Session** field and the **Next Session** field in the **Transaction Types (tfgld0511m000)** session. Financials is supplied with a session for every type of transaction. However, you can copy an existing standard session to another session (in Tools), adjust its design and link your customized session to the transaction type.

Transaction entry defaults

After you define transaction types in the **Transaction Types (tfgld0511m000)** session, start the **Transaction Entry Defaults (tfgld0131m000)** session to define the financial companies and transaction types for which the selected user can enter transactions. You can also define a default batch description.

Transaction entry sessions

Depending on the value entered in the **Transaction Category** field, you can select these standard sessions:

- **Journal Vouchers**

Main session: **Journal Voucher Documents (tfgld0618m000)**, a multiline data entry session for journal vouchers. This session has many columns that are initially hidden, and that can be activated by the user as required. In this way, it also provides separate debit and credit amounts entry (separate columns).

- **Sales Invoices/ Sales Credit Notes**

- Main session: **Sales Invoices (tfacr1110s000)**
- Next session: **Transactions (tfgld1102m300)**

- **Sales Corrections**

For corrections on invoices:

- Main session: **Sales Invoice Corrections (tfacr2110s000)**
- Next session: **Transactions (tfgld1102m300)**

For linking credit notes to several sales invoices:

- Main session: **Business Partner - Credit Notes (tfacr2120m000)**
- Next session: **Assign Credit Notes to Invoices (tfacr2121m000)**

For indicating that an invoice is doubtful or no longer doubtful:

- **Doubtful Sales Invoices (tfacr2140m000)**

- **Purchase Invoices/ Purchase Credit Notes**

For purchase invoice types **Cost Invoice** and **Invoice Related to Purchase Orders**:

- Main session: **Purchase Invoice Entry (tfacp2600m000)**
- Next session: N/A

- **Purchase Corrections**

For corrections on purchase invoices:

- Main session: **Purchase-Invoice Corrections (tfacp2110s000)**
- Next session: **Transactions (tfgld1102m300)**

For linking credit notes to several purchase invoices:

- Main session: **Assign Credit Notes to Invoices (tfacp2120m000)**
- Next session: **Assign Invoices/Schedules to Credit Notes (tfacp2121s000)**

- **Opening Balance**

- Main session: **Journal Voucher Documents (tfgld0618m000)**
- Next session: N/A

- **Cash**

- Cash transactions and bank transactions:

Main session: **Bank Transactions (tfcmg2500m000)**

- Next session: **Transactions (tfgld1102m300)**

- *Anticipated payments:*

Main session: **Anticipated Payments (tfcmg2110s000)**

- Next session: **Anticipated Payments (Details) (tfcmg2116s000)**

- *Anticipated receipts:*

Main session: **Anticipated Receipts (tfcmg2111s000)**

- Next session: **Anticipated Receipts (Details) (tfcmg2117s000)**

- To change the status of anticipated payments:

Main session: **Anticipated Payment Status (tfcmg2512m000)**

- Next session: **Anticipated Payments (Details) (tfcmg2116s000)**
- To change the status of anticipated receipts:
Main session: **Anticipated Receipt Status (tfcmg2513m000)**
- Next session: **Anticipated Receipts (Details) (tfcmg2117s000)**
- To assign unallocated payments or advance payments to purchase invoices:
Main session: **Assign Advance/Unallocated Payments to Invoices (tfcmg2131s000)**
- Next session: **Assign Unallocated/Advance Payments to Invoices (tfcmg2106s000)**
- To assign *unallocated receipts* or *advance receipts* to sales invoices:
Main session: **Assign Advance/Unallocated Receipts to Invoices (tfcmg2130s000)**
- Next session: **Assign Unallocated/Advance Receipts to Invoices (tfcmg2105s000)**

Using transaction templates

To distribute a transaction across a number of ledger accounts and dimensions, you can use a *transaction template*. For each transaction template, you can define one or more transaction template lines to specify the distribution of the main transaction amount across a number of ledger accounts and dimensions.

The transaction template type determines whether the distribution of the transaction amount is based on:

- **Amounts**
Fixed amounts are posted to specific ledger accounts and dimensions. The sum of the amounts must be equal to the transaction amount.
- **Percentages**
Percentages of the transaction amount are posted to specific ledger accounts and dimensions. The sum of the percentages must be 100.
- **Factors**
Proportional parts of the transaction amount are posted to specific ledger accounts and dimensions.

You can create transactions based on transaction templates in these sessions:

- **Create Transactions from Template (tfgld1204s000)**
- **Standing Orders (tfcmg1510m000)**

Using factors

You can use factors to distribute the transaction amount proportionally.

For example, to distribute the electricity bill proportionally across three work centers that comprise three, five, and two machines respectively, you can set up a transaction template that is based on a factor. You must define three transaction template lines in the **Transaction Template Lines (tfgld0113m000)** session, one for each work center. For the first work center, you enter 3 in the **Factor** field, for the second work center, you enter 5, and so on.

LN calculates the parts of the transaction amount for each transaction template line as follows:

$$3 + 5 + 4 = 12$$

As a result:

3/12 of the total transaction amount is posted to the first work center.

5/12 of the total transaction amount is posted to the second work center.

4/12 of the total transaction amount is posted to the third work center.

Specifying the transaction template line

To specify the transaction template line:

- 1 In the **Transaction Templates (tfgld0512m000)** session, double-click the appropriate transaction template. The **Transaction Template (tfgld0612m000)** session starts.
- 2 On the Template Lines tab, click the New button to specify the part of the transaction amount, the ledger account, and the dimensions to which the amount must be posted. LN automatically generates the next line number.
- 3 Repeat the previous step for each transaction template line.

Authorizations to finalize batches

Which users can finalize a batch is primarily determined by these settings in the **Finance Company Parameters (tfgld0503m000)** session:

- **Default Access by Batch**
- **Finalization by Administrator**

Authorization settings

Default Access by Batch		Finalization by Administrator	Result
All Users	-	Cleared	All users can finalize all batches.
-	Individual Users	Cleared	In the Transactions (tfgld1101m000) and Transaction Entry (tfgld1140m000) sessions, users can only view and finalize their own batches. In other sessions, however, their batches can also be viewed and finalized by all users who are authorized to access those sessions.
All Users	-	Selected	Users who are designated as finalization administrators, can finalize all batches. Other users can only finalize their own batches.
-	Individual Users	Selected	Depending on the Finalize Own Batches setting in the Finalization Administrators (tfgld0125m000) session, users designated as finalization administrators can finalize all batches, including or excluding their own batches. Other users can only finalize their own batches.

Note:

If a different user needs to be authorized to finalize the batch, you can make one of these changes to the batch in the **Change Access Mode by Batch (tfgld1108m000)** session:

- Change the **Access Mode for Batch** field to **All Users**.
- Enter another user's login in the **User** field.

Block backdating of transactions

If you enter a transaction date that is earlier than the most recently used batch date, documents with a higher document number can have an earlier transaction date. This is not always desired or legally allowed.

To ensure that each financial document of the transaction type has a batch date equal to or later than the batch dates of documents with a lower document number, in the **Transaction Types (tfgld0511m000)** session, you can select the **Block Backdating** check box. If you select this check box, LN automatically selects the **Documents in Fixed Sequence** check box.

To ensure that you cannot backdate transactions for the transaction type, you must use only one transaction type series at a time for the transaction type. To achieve this, you can set the **Number of Digits for Series** field to zero in the **Transaction Type Series (tfgld0114m000)** session.

If more than one series is required for the transaction type, you are not allowed to backdate within one series.

You must not select the **Block Backdating** check box for transaction types that you select in the following sessions:

- **Inter-Company Relations (tfgld0515m000)**
The document numbers for intercompany transactions are determined during the finalization run. It is not desirable that the finalization run stops because of errors caused by the block backdating functionality.
- **Data by Bank/Payment Method (tfcmg0145s000)**
The document numbers are created during the transfer of payments and receipts. At that time, the transaction date is not known and therefore, LN cannot check whether the block backdating requirement is fulfilled.

Cash flow statements

A cash flow statement provides information about the history of the cash flow. The statement provides an overview of the sources and uses for cash, and is used to assess the ability of the company to meet its short-term obligations. In some countries, a cash flow statement must be submitted periodically to authorities.

You use reason codes to distinguish the various sources and uses for cash. In the sessions in which you maintain or view cash transactions, you can enter or view the *cash flow reason*. On the cash flow statement, the cash flow transactions are grouped by cash flow reason.

LN maintains the opening balances for cash flow transactions per year. In the **Opening Balance Cash Flow (tfgld2118m000)** session, you can enter an opening balance manually, if necessary.

Cash flow statement

To define a cash flow statement, you group cash flow reasons into *cash flow reason groups*. Next, you group the cash flow reason groups into parent cash flow reason groups. A cash flow statement can contain one or several parent cash flow reason groups.

On the cash flow statement, LN prints the total amounts of each parent cash flow reason group and the subtotals for each child cash flow reason group.

Example

Parent Group	Child Group	Cash Flow Reason	Amount	Total amounts
Parent Group 1				
	Child Group 101	Reason A	nnn	
		Reason B	nnn	
	Subtotal Child Group 101			nnn
	Child Group 201	Reason F	nnn	
		Reason G	nn	
		Reason H	nn	
	Subtotal Child Group 201			nnn
Total Parent Group 1				NNN
Parent Group 2				
	Child Group 102	Reason K	nnn	
	Subtotal Child Group 102			nnn
	Child Group 202	Reason P	nnn	
		Reason Q	nn	
	Subtotal Child Group 202			nnn
Total Parent Group 2				NNN

Multicompany aspects

In a multifinancial company structure, all companies of the financial company group must share the tables that are related to cash flow reasons and cash flow statements.

Cash flow history

To view cash flow history and underlying transactions, in the Financial Statements module, you can create financial statements in which cash flow reasons are linked to special cash flow statement accounts.

To set up cash flow statements

To set up the cash flow statement prerequisites, use the following sequence of sessions:

1 Group Company Parameters (tfgld0101s000)

If you want to generate cash flow statements in any of the financial companies of the group, you must select the **Cash Flow Statement** check box.

2 Reasons (tcmcs0105m000)

Define reason codes for the sources and uses for cash that you want to distinguish. The **Reason Type** must be **Cash Flow**.

3 Purchase Types (tcmcs2101m000)

For the *purchase types* related to cash transactions, select the default cash flow reasons.

4 Sales Types (tcmcs2102m000)

For the *sales types* related to cash transactions, select the default cash flow reasons.

5 Chart of Accounts (tfgld0108s000)

For ledger accounts used for cash transactions, select the default cash flow reason in the **Cash Flow Reason** field. The ledger accounts must have level zero and must not be a text account, an intercompany account, or an integration account.

To set up the detailed cash flow statements, use the following sequence of sessions:

1 • Group Company Parameters (tfgld0101s000)

Select the Detailed Cash Flow Information check box.

2 • Cash Flow Information Codes (tfgld2560m000)

Cash flow information codes with parent-child structure can be defined and subsequently linked to a ledger account. This allows to report the cash outflow per expense type.

3 • Transaction Types (tfgld0511m000)

The data for the cash transaction type can only be generated if the **Exclude from Cash Flow Information** check box is cleared (default value) for the cash transaction type.

4 • Chart of Accounts (tfgld0508m000)

For each ledger account, the Cash Flow Information Code field must be specified with a code defined in **Cash Flow Information Structure (tfgld2560m000)** session.

5 • Detailed Cash Flow Information (tfgld2561m000)

Generated details of Cash transactions are displayed and can be exported to Excel.

- Detailed Cash Flow Information data can be generated, updated or deleted using this session or using the **Generate Detailed Cash Flow Information (tfgld2261m000)** session, **Update Detailed Cash Flow Information (tfgld2261m100)** session or **Delete Detailed Cash Flow Information (tfgld2261m200)** session.
 - Only finalized cash transactions can be selected.
 - Detailed information of the underlying documents such as ledger account and dimensions are displayed.
 - For cash transactions related to Purchase or Sales Invoices, in addition to the cost or revenue ledger accounts and dimensions, information such as Purchase or Sales Order line and Item is also available.
 - If for the ledger account, the Operations Management Integration Indicator field is not set to Not Applicable, the distribution across ledger accounts and dimensions in Operations Management, if available, replaces the original interim ledger account and dimensions.
 - For Cash transactions on Advance/Unallocated Payments/Receipts, the ledger accounts and dimensions of Advance/Unallocated Payments/Receipts are displayed.
- 6 • Cash Flow Statements (tfgld0123m000)**
Use this session to define *cash flow statements*.
- 7 • Cash Flow Reason Groups (tfgld0124m000)**
Use this session to define *cash flow reason groups*.
- 8 • Cash Flow Reason Groups (tfgld0124m000)**
On the **Cash Flow Reasons by Statement** tab, link cash flow reason groups to the cash flow statement and link cash flow reasons to the cash flow reason groups. .

To print cash flow statements

Use the **Print Cash Flow Transactions (tfgld1419m000)** to print cash flow statement reports. You can print the report for one financial company and one fiscal year, and for a range of financial periods and cash transaction reasons.

To print the cash flow statement, use the following sequence of sessions:

1 Cash Flow History (tfgld2519m000)

On the *appropriate* menu, click **Cash Flow Transactions**. The **Cash Flow Transactions (tfgld1523m000)** session starts.

2 Cash Flow Transactions (tfgld1523m000)

Click **Print Cash Flow Transactions**. The **Print Cash Flow Transactions (tfgld1419m000)** session starts.

3 Print Cash Flow Transactions (tfgld1419m000)

To print the cash flow statement, in the **Report** field, select **Cash Flow Totals by Cash Flow Statement**. This report shows the amounts of the current year and of the previous year, in separate columns.

To enter and view cash flow transactions

Transactions that must be included in the cash flow statement must have a *cash flow reason* linked to them. For most transactions, LN derives the default cash flow reason from the sales type, the purchase type, or the ledger account.

If you manually enter cash transactions, you can enter a cash flow reason.

You can view cash flow transactions in the following sessions:

- **Cash Flow History (tfgld2519m000)**
This session displays, for one cash flow reason, the opening balance, the closing balance, and the movement during one financial period.
- **Cash Flow Transactions (tfgld1523m000)**
This session lists the transactions by cash flow reason.

In both sessions, on the *appropriate* menu, you can click **Opening Balance Cash Flow** to start the **Opening Balance Cash Flow (tfgld2118m000)** session. Use this session to view the calculated opening balances for a cash flow reason or to enter manually an opening balance, if necessary.

Creating document numbers by transaction type

Document numbers must be unique within a transaction type. You can assign a document number to a transaction in several ways.

In the **Transaction Types (tfgld0511m000)** session you can determine the document number by using:

- The **Documents in Fixed Sequence** check box.
- The **Number of Digits for Series** field.

Selection of the **Block Backdating** check box in the **Transaction Types (tfgld0511m000)** session also affects the document numbering. For details, refer to Block backdating of transactions.

Number of digits for series

A document serial number is a combination of a series number and a sequence number.

The document number consists of 8 positions. The maximum number of positions that can be reserved for a series is 4. If no series are used, that is, if the **Number of Digits for Series** field has the value 0, all 8 positions are used for the document sequence number. If the 1 through 4 positions are reserved for the series number, then the remaining positions are available for the rest of the document number.

Number of Digits for Series	Series No.	Remaining Doc. Seq. No.	Resulting Doc. No.
0	-	YYYYYYYY	YYYYYYYY
1	X	YYYYYYY	XYYYYYYY
2	XX	YYYYYY	XXYYYYYY

Number of Digits for Series	Series No.	Remaining Doc. Seq. No.	Resulting Doc. No.
3	XXX	YYYY	XXXYYYYY
4	XXXX	YYY	XXXXYYY

LN does not allow leading zeroes for series. If the number of digits for the series is two, the series must be at least 10. Values such as 02 and 04 are not allowed.

Options for creating document numbers

Three options exist to create a document number within a transaction type:

- Option 1
 - The **Documents in Fixed Sequence** check box is selected.
 - The **Number of Digits for Series** field has the value zero.

If you use this option, LN sets the series number to 0 by default. You cannot manually enter the document number. LN automatically generates the document number.

- Option 2
 - The **Documents in Fixed Sequence** check box is cleared.
 - The **Number of Digits for Series** field has the value zero.

If you use this option, you can determine the document number yourself. You cannot reuse a document number that is already used.

- Option 3
 - The **Documents in Fixed Sequence** check box is selected.
 - The **Number of Digits for Series** field has a value greater than zero.

If you use this option, you can enter the series number for a document number. The series number consists of the number of positions defined in the **Number of Digits for Series** field. LN fills the remaining positions of the document number on the basis of the document number that was last used within the transaction type. The last used document number within each series is updated in the **Transaction Type Series (tfgld0114m000)** session.

Note:

The following situation is not allowed:

- The **Documents in Fixed Sequence** check box is cleared.
- The **Number of Digits for Series** field has a value greater than zero.

A transaction type that uses a document series must have consecutive numbering. Therefore, if the **Documents in Fixed Sequence** check box is cleared, you cannot enter a value in the **Number of Digits for Series** field.

Bank reference numbers

In some countries, it is a common banking practice to use bank reference numbers for domestic transactions.

The bank reference number is a unique number that is used to identify the invoice for which the payment is made. It is only required for invoices and for payments related to invoices. The bank reference number is communicated to the customer on the invoice document and is always referred on the payment document. The bank reference number is also required on *payment slips*.

The bank reference number length varies between about 20 and 30 digits, depending on the country. The numbers are composed in such a way that a specific check can be performed to verify that the number is correct.

Bank reference numbers on sales invoices

If you use *bank reference numbers* and the country of the invoice-to business partner is the same as the country of the sales office, LN generates the bank reference number when the invoice is composed in Invoicing. Instead of the invoice number, the bank reference number is printed on the invoice. Bank reference numbers need not be generated for manual sales invoices, because no invoice is printed and sent to the customer.

The bank reference number is based on the composing data that you define for the country. The bank reference number consists of the following components:

- The transaction type (mandatory).
- The document number (mandatory): the serial number of the document.
- The financial company number (optional).
- The invoice-to business partner code (optional).

The bank reference number must be numeric and does not contain leading zeroes. If any of the components contains non-numeric characters, LN leaves the bank reference number field blank. In that case, the sales invoice number is printed on the sales invoice.

An operator that indicates the type of check to be performed on the number is added at the end of the bank reference number. To verify the bank reference number on received purchase invoices, LN applies the check that is indicated by the operator added to the number.

You can select the type of check to be used in the financial company in the **Finance Company Parameters (tfgld0503m000)** session. Various verification algorithms are available.

You can define the bank reference number components and their position in the bank reference number in the **Bank Reference Positions by Country (cisli1130m000)** session.

To generate a bank reference number, LN concatenates the selected components in the order that you specified. If the concatenated string is longer than the maximum length of the bank reference number to be generated, the invoice-to business partner code is truncated as necessary.

To set up bank reference numbers

You must set up bank reference numbers in every financial company in the countries for which you need to use bank reference numbers.

To set up bank reference numbers, use the following sequence of sessions:

- 1 Finance Company Parameters (tfgld0503m000):** In the **Bank Reference Check** field, select the type of bank reference number check that is used by the banks in the financial company's home country or select **No Check**.

- 2 **Bank Reference Positions by Country (cisli1130m000)**: Define how the bank reference number is composed on the sales invoices.
- 3 **Business Partners (tccom4500m000)**: Ensure that the business partner's code contains digits only.

Intercompany transactions

In a multicompany environment, transactions between the logistic companies and between financial companies create the need to balance the accounts through *intercompany transactions*.

Intercompany transactions occur, for example, if the enterprise units of the sales office and the purchase office, work center, or warehouse involved in a logistic transaction are linked to different financial companies, or belong to different logistic companies.

These types of intercompany transactions exist:

- **Multifinance intercompany transactions**
Intercompany transactions between the financial companies in a multifinance company structure.
- **Intercompany settlement transactions**
Settlement transactions between the logistic companies in a multilogistic/single finance company structure.
- **Intergroup transactions**
Financial transaction between financial groups in a multifinance company structure with multiple financial groups.

To set up intercompany transactions

To set up intercompany transactions, take the following steps:

- 1 In the **Inter-Company Relations (tfgld0515m000)** session, for each combination of source company and destination company, specify the *transaction types* for which you want to set up intercompany transactions, and enter the ledger accounts to which the intercompany transactions must be posted. The ledger account types must be **Intercompany**. You can enter a related transaction type which is used for the posting that is carried out in the target company.
- 2 If your company uses the *standard currency system*, in the **Intercompany Relations by Currency (tfgld0122m000)** session, for each combination of source company and destination company, specify the transaction types and *transaction currencies* for which you want to set up intercompany transactions, and enter the ledger accounts to which the intercompany transactions must be posted. The ledger account types must be **Intercompany**. You can enter a related transaction type which is used for the posting that is carried out in the target company.
- 3 Only for WIP transfers and inventory transfers, define the entities involved as business partners in the **Business Partner (tccom4100s000)** session and clear the **Intercompany Settlement** check box.
- 4 Only for WIP transfers and inventory transfers, you can set up goods transfer relationships between the entities involved in the Enterprise Modeling Management module to specify default details about the price, invoicing type, and invoice currency.

Example of intercompany transactions

Logistic company L100 contains the enterprise units EU100 and EU200, and two warehouses WH120 and WH220.

- EU100 is linked to financial company F100
- EU200 is linked to financial company F200.
- WH120 is linked to EU100 and, through the enterprise unit, to F100.
- WH220 is linked to EU200 and, through the enterprise unit, to F200.

You create a warehousing order for goods transfer from WH120 to WH220.

If you issue the goods, the **Shipments (whinh4130m000)** session and the **Freeze/Confirm Shipments/Loads (whinh4275m000)** session start the following integration transactions in logistic company L100:

Warehousing (Transfer Manual)/Issue

- Debit: Inventory In Transit in F100.
- Credit: Inventory in F100.

Warehousing (Transfer Manual)/Receipt

If you receive the goods in WH220, the **Warehouse Receipt (whinh3512m000)** session starts the following integration transactions:

- Debit: Inventory in F200.
- Credit: Inventory In Transit in F100.

When you finalize the batch in the financial company F200 of the receiving warehouse, these transactions result in the following intercompany transactions between the financial companies F100 and F200:

In the financial company F200:

- Debit: Inventory.
- Credit: Intercompany Account F100.

In the financial company F100:

- Debit: Intercompany Account F200.
- Credit: Inventory in Transit .

Multifinance intercompany transactions

Intercompany transactions are financial transactions that LN automatically creates between financial companies that belong to the same financial group. The transactions are posted to intercompany ledger accounts. For details, refer to Example of intercompany transactions.

You can set up intercompany transactions as described in To set up intercompany transactions.

Purely financial intercompany transactions are:

- Single line journal vouchers

- Cash transactions (direct debits)
- Manually entered cost invoices in Accounts Payable
- Manually entered cost invoices in Accounts Receivable

To generate these types of financial intercompany transactions, you must define the intercompany relations between the financial companies. You do not need to define the companies as business partners.

Financial intercompany transactions can also result from these logistic transactions:

- WIP transfer
- Inventory transfer

For WIP transfers and inventory transfers, you must define the entities as internal business partners. Sales/purchase transactions between such business partners result in intercompany transactions if all of these conditions are met:

- The entities are linked to different financial companies.
- You set up intercompany relations between the financial companies involved.
- You do not set up intercompany settlements for the entities involved.

Note: If you have set up intercompany transactions, LN automatically creates the intercompany transactions when you finalize the transactions. You do not need to run any additional sessions.

Intercompany settlement transactions

Intercompany settlement transactions are a specific type of intercompany transactions that only applies to purchase and sales transactions between logistic companies in a multilogistic/single-financial company structure.

Intercompany settlement transactions generate less than half the number of postings (10) of a regular invoicing procedure (24). Therefore, if no invoices are required, you can use intercompany settlement transactions to considerably reduce the number of postings in your ledger accounts.

Intercompany settlement transactions in a single financial company structure are automatically posted financial transactions in one financial company to intercompany accounts. Instead of generating open entries for sales transactions and purchase transactions between the logistic companies, the amounts are posted to intercompany billing accounts and clearing accounts. Such intercompany accounts must be of the **BaLance Sheet** type, not of the **Intercompany** type.

The sales and purchase transactions can concern:

- WIP transfer
- Inventory transfer

To create intercompany settlement transactions for purchase/sales transactions between logistic companies of a multicompany structure, you must define the logistic companies as affiliated company business partners.

You can set up intercompany settlement as described in *Intercompany settlement transactions – setup*.

Note: If you have set up intercompany settlement transactions, LN automatically creates the settlement transactions when you finalize the transactions. You do not need to run any additional sessions.

Intercompany settlement reconciliation report

You can use the **Intercompany Buy / Sell Reconciliation Report (cisl2445m000)** session to generate a report of the intercompany settlement transactions between affiliated companies. LN generates the report based on the sales information in the central invoicing tables. For each sales order line, LN retrieves the corresponding purchase information for the report.

Intercompany settlement transactions – setup

To set up *intercompany settlement* in a single financial company structure:

1 Create the intercompany ledger accounts

In the **Chart of Accounts (tfgld0508m000)** session, create these ledger accounts:

- The interim intercompany clearing account.
- The intercompany ledger accounts for each logistic company.

The ledger account type must be **Balance Sheet**.

2 Define the business partner

In each logistic company, in the **Business Partners (tccom4500m000)** session define the other company as an *affiliated company* business partner. Define the business partner in the usual way. On the **Enterprise Modeling** tab, you must specify these details:

- Select the **Affiliated Company** check box and enter the company number.
- Select the **Intercompany Settlement** check box.

3 Set up prices and surcharges

If you want to create the intercompany settlement transactions and you want to add surcharges, you can define *intercompany trade relationships*. You can specify the surcharge percentage in the **Intercompany Trade Relationships 360 (tcitr2300m000)** session. The price origin must be **obsolete**.

4 Define the business partner groups

In the financial company, create business partner groups for the internal business partners and the affiliated-company business partners that you defined in Step 1. This enables you to define separate ledger accounts for the transactions that take place inside your organization.

Use the **Financial Business Partner Groups (tfacr0110m000)** sessions of the Accounts Receivable and the Accounts Payable modules as applicable. The ledger account type must be **Balance Sheet, or Profit & Loss**.

5 Set up the integration mapping scheme

In the **Mapping Scheme (tfgld4573m000)** session, set up the integration mapping scheme. On the **Mapping Scheme Details (tfgld4574m000)** tab, define the specific mapping details described below.

Integration Document Type = Purchase Order/Receipt

- **Debit**

Map to an Inventory Ledger account

For the credit side, define a *mapping element* with a high priority for the financial business partner group with these details:

- **Credit**

Financial Business Partner Group ACP = the affiliated-company business partner group that you defined in Step 4.

- Map to a **Balance Sheet** type ledger account for inventory company clearing.

Integration Document Type = Sales Order/Revenue Analysis

For the debit side, define a mapping element with a high priority for the financial business partner group with these details:

- **Debit**

Financial Business Partner Group ACR = the affiliated-company business partner group that you defined in Step 4.

- Map to a **Balance Sheet** type ledger account for internal company billing.

- **Credit**

Map to a Revenue ledger account

FASB 52 Foreign currency translation

FASB 52 is a guideline for foreign currency translation issued by the Financial Accounting Standards Board (FASB).

You can perform FASB 52 currency translation for a specific rate type and specific ledger account. You must define translation adjustment schemes to link rate types to ledger accounts.

Using translation-adjustment schemes

You can use one translation adjustment schemes, or you can use two *translation-adjustment* schemes one after the other:

Currency 1 -> [Translation Adjustment Scheme A] -> Currency 2 ->[Translation Adjustment Scheme B] -> Currency 3

LN retrieves the currency rates from the **Currency Rates (tcmcs0108m000)** session.

However, if you use two translation adjustment schemes, you must define the currency rates for the rate types of the second translation adjustment scheme in the **Additional Currency Rates (tfgld5106m000)** session.

In addition, if you use a dependent currency system AND the currency base (input currency) is the *reference currency*, you must also define the currency rates for the rate types of the first translation adjustment scheme in the **Additional Currency Rates (tfgld5106m000)** session.

Notelf you use a independent currency system, the input currency must not be the same as one of the following currencies:

- Local currency
- Reporting currency 1
- Reporting currency 2

The calculated adjustment amounts are saved on the defined ledger account.

Note: The balance amount of all profit and loss accounts is booked according to the parameters set in the **Finance Company Parameters (tfgld0503m000)** session.

Depending on the balance method, the balance amount is posted to one or more accounts. There are no transactions posted to period zero, which is the opening balance.

Example

The following calculations can be required for an *FASB 52* foreign currency translation:

	Input currency	Output currency
Translation Adjustment Scheme A	Local currency	Functional currency
Translation Adjustment Scheme B	Functional currency	Currency for FASB reporting

where:

Input/output currency = the source and target currency.

Local currency = for example, the subsidiary's local currency.

Functional currency = the most frequently used currency in the organization. For example, if 70% of your sales is expressed in EUR, this is the functional currency.

Currency for FASB reporting = one of the home currencies of the holding company, for example, USD.

To set up and perform FASB 52 Foreign currency translation

To set up FASB 52 reporting

To set up FASB 52 reporting, use the following sessions:

1 Exchange Rate Types (tcmcs0140m000)

If required, define specific exchange rate types for FASB 52 Foreign currency translation.

2 Translation Adjustment Scheme (tfgld5101s000)

Define the translation-adjustment schemes.

3 Ledger Accounts by Translation Adjustment Scheme (tfgld5503m000)

Specify the ledger accounts for which you want to perform the currency translation and link the rate types to the ledger accounts.

To perform FASB 52 calculation

To perform FASB 52 calculation, use the following sessions:

1 Adjustment Amounts (tfgld5104m000)

Select the translation adjustment scheme and view the ledger accounts and the adjustment amounts.

2 Calculate Translation Adjustments (tfgld5205m000)

Translate input-currency amounts to output-currency amounts for the specified translation scheme's ledger accounts.

To use two successive translation adjustment schemes, select the **Successive Transl. Adj. Sch. required** check box and enter the second scheme in the **Successive Transl. Adj. Sch.** field.

3 Translated Amounts (tfgld5505m000)

Displays the amounts posted to the ledger accounts after calculating the translation adjustment.

You can use the **Delete Translation Adjustments (tfgld5206m000)** session to remove translation adjustment schemes that you no longer require.

Intergroup transactions

Intergroup transactions

Intergroup transactions only occur in a multicompany structure with more than one financial company group.

Intergroup transactions are financial transactions that LN automatically creates between financial companies that belong to different financial groups. The transactions are posted to intercompany ledger accounts. For details, refer to Example of intergroup transactions.

You can set up and process intergroup transactions as described in To set up intergroup transactions.

Intergroup transactions can only be created for single line journal vouchers.

Base company

Intergroup transactions are temporarily stored in one of the group companies. For this purpose, you must assign one of the group companies as the base company. The intergroup transactions posting data is temporarily stored in the base company.

To create the intergroup transactions, you must process the intergroup transactions as described in To set up intergroup transactions.

To set up intergroup transactions

Intergroup transactions occur only in multicompany structures with more than one financial group company. To set up the financial group companies is not described as a separate step because it is part of the Financials master data setup procedure.

To set up intergroup transactions To set up intergroup transactions, take the following steps:

- 1** Create a transaction type for intergroup transactions. The transaction type must be **Journal Vouchers**.
- 2** Set up the intercompany ledger accounts in the **Chart of Accounts (tfgld0508m000)** session. The ledger account types must be **Intercompany**. As dimensions are not used during intergroup transactions, the

Dimension Options of the Intercompany accounts must be **Not Used**. If the companies of the multicurrency structure do not share the Chart of Accounts (tfgld008) table, you must define the ledger accounts and dimensions in each company.

- 3 Decide which of the group companies is the base company. In each group company, enter the base company in the **Base Company** field of the **Group Company Parameters (tfgld0101s000)** session. The posting data is stored in the base company until you run the **Post Intergroup Transactions (tfgld2201m000)** session in the destination company.
- 4 In the **Intergroup Relations (tfgld2501m000)** session, specify for each source company and destination company the ledger accounts to which the intergroup transactions must be posted. The source companies and destination companies must belong to different group companies and must use the same base company. The ledger account types must be **Intercompany**.

To process intergroup transactions To process the intergroup transactions, take the following steps:

- 1 Finalize the original transaction in the source company. The transactions in the source company are posted. The posting data of the transactions in the destination company is temporarily stored in the base company.
- 2 To import the intergroup transactions into the destination company, run the **Post Intergroup Transactions (tfgld2201m000)** session in the destination company. LN uses the data stored in the base company to create the postings in the destination company.
- 3 In any of the financial companies for which you setup intergroup transactions, you can use the **Print Intergroup Interim Transactions (tfgld2402m000)** session to print various selections of the intergroup transaction posting data that is stored temporarily in the base company.
- 4 Finalize the transaction batch. You must do this both in the source company and in the destination company.
- 5 In the destination company, use the **Delete Intergroup Transactions (tfgld2202m000)** session to remove the posting data of the intergroup transactions that have been finalized and completed.

Example of intergroup transactions

- Company 200 is related to company 300. The companies belong to different group companies and both companies use the base company 250.
- In company 200, the own intergroup account is intergroup 300 and the related intergroup account is intergroup 200.
- A purchase invoice for travel costs is entered into company 200. The costs are incurred by company 300. The amount is 5000. The costs are posted to ledger account 412000 Travel Expenses.

On the accounts payable transaction lines in company 200, you enter the intergroup ledger account 300. Because of the intergroup setup, a session is started in which you can enter the final destination cost account. Here, you enter 412000 Travel Expenses for company 300.

The posting data for company 300 is stored in the base company 250.

You must:

- In company 200, finalize the original posting.
- In company 300, run the **Post Intergroup Transactions (tfgld2201m000)** session.

LN creates the following posting in company 300, for the transaction type that you entered in the **Post Intergroup Transactions (tfgld2201m000)** session:

- Debit: 5000 to account 412000, Travel Expenses
- Credit: 5000 to account 200, Intergroup

Example protocol codes

This topic shows an example of how you can use *protocol codes* to renumber documents.

Example

Assume this data:

Transaction type	Protocol code
ACP	SLT
ACR	SLT
JNL	GLD
REV	GLD

You can renumber documents like this:

Transactions	Document date	Renumbered documents
ACP97000001	01-01-97	SLT1
ACP97000002	09-01-97	SLT5
ACP97000003	05-01-97	SLT3
ACR97000001	04-01-97	SLT2
ACR97000002	06-01-97	SLT4
ACR97000003	10-01-97	SLT6
JNL97000001	03-01-97	GLD2
JNL97000002	04-01-97	GLD3
REV97000001	02-01-97	GLD1
REV97000002	05-01-97	GLD4

You can view and maintain protocol numbers in these sessions:

- **Protocol Codes (tfgld0135m000).**
- **Assign Protocol Numbers to Documents (tfgld0235m000).**
- **Document History by Protocol Number (tfgld1505m000).**

Predefined tax declaration entry types

For the PCN874 tax declaration file, LN provides a number of predefined entry types.

Code	Description	Tax Origin
C	Input – Self Invoice	Purchase
H	Input – Single Document by Law	Purchase
I	Sales – Palestinian Authority Customer	Sales
K	Input – Petty Cash	Purchase
L	Sales – for Unidentified (Private) Customer	Sales
M	Sales – Self Invoice	Sales
P	Input – Supplier from Palestinian Authority	Purchase
R	Input – Import	Purchase
S	Sales – Regular sale	Sales
T	Input – Regular from Israeli supplier	Purchase
Y	Sales – Export	Sales

Chapter 3: Account Matching

Account matching

You can match credit and debit entries of multiple transactions on the same ledger account to each other. A matching transaction can be generated to solve differences that are within the specified tolerances.

Account matching is usually performed on the following types of ledger accounts:

- *Interim accounts*
- *Clearing accounts*
- *Suspense accounts*

When you close a period, the balance of these ledger accounts must be zero or the smallest amount possible. Usually, the related postings balance and can be matched. If the amounts of the related transactions differ by a small amount, LN can generate a matching transaction to balance the account.

When you analyze these accounts, you can print a report of the transactions that balance and you can examine the unmatched postings.

Note:

- To perform account matching, you must be listed in the **Account Matching Users (tfgld1152m000)** session. In this session, a user's authorization is defined by an *account matching authorization scheme* and a *ledger account matching scheme*.
- During matching, LN does not check whether specific transactions can be matched. Instead, LN performs this check when the resulting matching transactions are approved.
- Account matching can only be performed on finalized transactions in the local currency.

Basic rules for account matching

The basic rules for account matching are:

- You can perform account matching on accounts that are:
 - Of the type **Balance Sheet Or Profit & Loss**.
 - Defined as matchable accounts. The Account Matching Properties field must be filled for the account in the **Chart of Accounts (tfgld0508m000)** session.
 - Not used for integration transactions.
- You can only perform account matching of entries on the same account.
- The transactions to be matched can be in different transaction currencies.

- You can perform account matching on finalized transactions.
- You can unmatched transactions, even if the matching transactions have already been finalized.

In the account matching process, the following situations can occur:

- There is no difference between the sums of the credit amounts and the debit amounts of the selected transactions, or the difference is within the currency tolerance. The transactions are matched.
- The sums of the credit amounts and the debit amounts differ by the tolerance percentage and/or the tolerance amount or more. The transactions cannot be matched.
- The difference between the sums of the credit amounts and the debit amounts is within the matching tolerance percentage and less than the matching tolerance amount. The transactions can be matched with a matching transaction for the difference amount.

To match with a matching transaction

If a matching transaction is generated for the difference amount, the amounts in the home currencies are calculated from the difference amount in the transaction currency by using the internal exchange rate type.

The following situations can occur:

- The remaining amount in each of the home currencies is zero or within the currency tolerance.
- The remaining amount in at least one home currency is not zero. This can be caused by currency rate changes between the transaction dates of the transactions to be matched. Two possibilities exist:
 - The differences in the home currencies stay on the account.
 - To balance the account in the home currencies, a second transaction is generated for the difference amounts in the home currencies. The transaction is directly based on the difference amount, no currency rates are involved.

Note: Whether or not additional matching transactions are generated for the home currencies, is determined by the corresponding settings in the **Account Matching Properties (tfgld1657m000)** session.

One side of the matching transactions balances the transactions on the GL account. The other side of the matching transactions is posted to a matching account.

Example 1: Home currencies balance

After generating the matching transaction, no difference amount remains in the various home currencies.

	Transaction amount	Transaction currency	€	Local currency EUR	Reporting currency 1 USD	Reporting currency 2 CAD
Transaction 1	100	GBP	D	90	101	50
Transaction 2	50	GBP	C	45.4	49.80	24.4
Transaction 3	51	GBP	C	45.5	51.10	25.1

	Transaction amount	Transaction currency	£	Local currency EUR	Reporting currency 1 USD	Reporting currency 2 CAD
Matching transaction	1	GBP	D	0.9	0.10	0.5
Result	0			0	0	0

The other side of the matching transaction is posted to the Matching Account. In this case, the entry on the Matching Account consists of: GBP 1; EUR 0.9; USD 0.1; CAD 0.5.

Example 2: Incomplete matching

A currency difference amount remains in some of the home currencies. This can happen both if a matching transaction is needed and if a matching transaction is not needed as shown in this example.

	Transaction amount	Transaction currency	£	Local currency EUR	Reporting currency 1 USD	Reporting currency 2 CAD
Transaction 1	100	GBP	D	90.1	101.02	50.5
Transaction 2	100	GBP	C	90.9	101.1	50.5
Result	0			0.8	0.08	0

Example 3: Matching based on a difference

After generating the matching transaction a currency difference amount remains in the home currencies. A second matching transaction is generated based on the difference amounts.

This transaction is comparable to a currency difference transaction. The transaction amounts in the home currencies are not related to each other through a currency rate.

	Transaction amount	Transaction currency	£	Local currency EUR	Reporting currency 1 USD	Reporting currency 2 CAD
Transaction 1	100	GBP	D	90.1	101.2	50.1
Transaction 2	100	GBP	C	90.9	101.1	50.5
Result	0			0.8	0.08	0
Transaction based on difference in local currency				0.8		
Transaction based on difference in reporting currency					0.08	

	Transaction amount	Transaction currency	Local currency EUR	Reporting currency 1 USD	Reporting currency 2 CAD
Result	0		0	0	0

The other side of the matching transaction is posted to the matching account.

In this case, the entries on the Matching Account consist of:

- First entry: GBP 1; EUR 0.9; USD 0.1; CAD 0.5.
- Second entry: GBP 0; EUR 0.8; USD 0; CAD 0.
- Third entry: GBP 0; EUR 0; USD 0.08; CAD 0.

Frequently used accounts for account matching

- Sundry debtors and creditors accounts

This account records receivables and payables that are not directly attached to the operating business cycle. For example, to register assignment expenses to be refunded and for which the posting is uncertain at the time of recording. This record is also used to record purchases on behalf of third parties, that must not be posted to the profit and loss account.

- Suspense accounts

An account that records operations that cannot be posted definitely to an account. However, such accounts must not appear on the balance sheet. For example, when bank reconciliation is carried out to bring the balance of the company's account into line with that of the bank, the unidentified movements (such as customer payments) listed on the bank statements are posted to a suspense amount.

- Internal transfer accounts

These clearing accounts are used for practical and controlled accounting operations, such as transferring cash funds to a bank account. In addition, such accounts are used for operations that require several accounting journals. Internal accounts must not appear on the balance sheet.

- Intracompany sales accounts

These intracompany accounts are debited for goods and services provided, and credited for goods and services received. The accounts of a company's various branches must balance out and must not appear on the balance sheet.

- Account advances granted for personnel

This is an account that records debit advances and credits them to salaries from which the advances are deducted.

- Group accounts

These accounts record temporary advances of funds within companies of the same group.

For some interim accounts, LN automatically generates the transaction reference when the transaction is created. For example, the transaction reference can consist of the transaction origin plus the order number.

Note: Although you can perform account matching on ledger accounts that are used for integration transactions, it is recommended to use the reconciliation process.

To set up account matching

To set up account matching, perform the following steps:

- 1 In the **Finance Company Parameters (tfgld0503m000)** session, on the **Concepts** tab, ensure that the **Account Matching** check box is selected.
- 2 In the **Account Matching Parameters (tfgld1161m000)** session, specify defaults for account matching master data, user authorizations, and processing.
- 3 In the **Account Matching Properties (tfgld1557m000)** session, define *account matching properties*.
- 4 In the **Chart of Accounts (tfgld0508m000)** session, on the **Miscellaneous** tab, in the **Account Matching Properties** field, enter the account matching properties that you defined for the current company.
- 5 In the **Account Matching Authorization Schemes (tfgld1553m000)** session, define at least one *account matching authorization scheme*.
Note: If, for all financial companies, you only define users of type **Super User**, you can skip the next step.
- 6 In the **Ledger Account Matching Schemes (tfgld1555m000)** session, define at least one *ledger account matching scheme*.
- 7 In the **Account Matching Users (tfgld1152m000)** session, assign the appropriate authorization and ledger account matching schemes to users.
- 8 If required, run the Rebuild History for Account Matching (tfgld1218m000) session.
- 9 If you are upgrading from the previous account matching functionality to the new account matching functionality, run the Convert Existing Account Matching to New Account Matching (tfgld1216m100) session.
- 10 Before you can start using automatic account matching, you must have sufficient matchable data. When that is the case, perform the following steps:
 - In the **Automatic Account Matching Criteria Codes (tfgld1562m000)** session, define at least one *automatic account matching criteria code*.
 - In the **Automatic Account Matching Criteria Sets (tfgld1559m000)** session, define at least one *automatic account matching criteria set*.
- 11 If you are upgrading from the previous GL account matching functionality, run the Convert Existing Account Matching to New Account Matching (tfgld1216m100) session.

The account matching process

The account matching process consists of the following steps:

1 Match transactions

You can match transactions:

- Automatically, in the Match Transactions Automatically (tfgld1250m000) session.
 LN performs account matching based on *account matching properties* and an *account matching authorization scheme*.
- Manually, in the Account Matching (tfgld1550m000) session.
 In this session, you can select the transactions that you wish to match.
 - If the selected transactions balance, on the *appropriate* menu, click **Match without Transaction**.

- If the sums of the amounts of the selected transactions differ, you can click **Match with Transaction** or choose to **Match without Transaction**.

For each match, whether created manually or automatically, LN creates a matching transaction in the Matched Transactions (tfgld1551m000) session.

2 Approve matching transactions

If you are authorized to do so, you can approve the matching transactions using the Approve/Process Matched Transactions (tfgld1251m100) session. When you click **Process**, LN checks whether the underlying transactions can be matched, based on the *account matching authorization scheme* and *ledger account matching scheme* assigned to you in the **Account Matching Users (tfgld1152m000)** session.

3 Process matching transactions

If you are authorized to do so, you can process the matching transactions using the Approve/Process Matched Transactions (tfgld1251m100) session. When you click **Process**, LN checks whether the approved matching transactions can be processed, based on the *account matching authorization scheme* and *ledger account matching scheme* assigned to you in the **Account Matching Users (tfgld1152m000)** session. In this step, LN creates batches and non-finalized transactions for matches with transactions.

Rebuild GL accounts for matching

You can define a ledger account on which transactions already exist as a matchable account. In the **Chart of Accounts (tfgld0508m000)** session, on the **Miscellaneous** tab, in the **Account Matching Properties** field, enter the *account matching properties* that you defined for the current company. If you do so, the corresponding Matched Transactions (Details) (tfglf150) table must be filled with the existing transactions.

To generate the records in the Matched Transactions (Details) (tfglf150) table, run the **Rebuild History for Account Matching (tfgld1218m000)** session.

Chapter 4: Taxonomy

Taxonomy is a science of classification based on a predetermined system. The taxonomy classification considers the importance of separating elements of a group into subgroups that are mutually exclusive and unambiguous. In LN, to add additional reporting structure (taxonomies), you can define different taxonomies such as IFRS, GAAP, or a company specific taxonomy.

The taxonomy can be shared across the *financial companies* in a *group company*. The Chart of Accounts (COA) can also be shared, if required. However, if a *chart of accounts* is shared, it is recommended to also share taxonomy.

Sharing the Chart of Account

If the COA is shared across companies, the related accounts must be part of each Taxonomy. Account ID's must also be defined for each taxonomy. Consequently, a mapping must be defined for every account in the COA.

Note: Even if a COA is shared and the specific *ledger account* is available for specific companies, you can create a company specific taxonomy.

After the company specific general ledger accounts are mapped to an account ID, there can be instances wherein general ledger accounts are not mapped to IDs. These general ledger accounts are not used in the company, but can cause the failure of the consistency check that is performed by the LN. The taxonomy can only be used if all general ledger accounts are mapped. To handle this situation, you must map all the unused general ledger accounts to a dummy account. In the report, the amount in the dummy account is printed as zero. LN maps all the unmapped general ledger account automatically to the Account ID. This automatic mapping is performed only on ledger account level.

Chart of Accounts not shared

When the COA is not shared or partly shared, you must define the companies for which a taxonomy is created. This is required to check if all the ledger accounts are available in the taxonomy. However, the check is only applicable for companies defined in the **Companies per Taxonomy (tfgld1173m000)** session.

Taxonomy setup

Defining the taxonomy: You can define taxonomy in the **Taxonomies (tfgld1170m000)** session. The reporting type for the taxonomy is identified with a **Taxonomy** name, **Version** and **Description**. The **Status** field indicates if a taxonomy can be used for reporting purposes. You can also set the *accounting scheme* to Statutory, Complementary or both in the **Dual Accounting Indicator** field.

Define the Taxonomy Companies: You can define a company for a taxonomy in the **Companies per Taxonomy (tfgld1173m000)** session. If the **All Companies** check box is not selected in the **Taxonomies (tfgld1170m000)** session, you must define at least one company. This company must be a subset of the financial companies for each group of companies.

Define the Accounting Structure: You can define accounting structure for taxonomy in the **Taxonomies Accounts (tfgld1171m000)** session. You can define the **Account ID**, **Sublevel** and **Account Type** in this session. The sublevel (hierarchy) identifies the position in the parent/child structure. Only taxonomies for which the **Sublevel** is 0, can be mapped to the general ledger accounts. To print a structured list, a **Parent Account** must also be defined for each **Account ID**. You can also use **Mapping Details** check box to view the account for which the mapping is defined. You must clear this check box to view the unmapped accounts. You can use the **View Tree** option (Generic Browser Framework) to provide user insight in the Taxonomy. The mapping can also be started from the GBF.

Define the mapping: You can use the **Mappings by Taxonomy Account (tfgld1172m000)** to map the taxonomy with the general ledger account. The mapping can be performed by defining a range of **Company**, **Ledger Account** and **To Dimension**.

Status of the Taxonomy

The various status of the taxonomy are:

Initial draft

When the taxonomy is defined in the **Taxonomies (tfgld1170m000)** session, the **Status** of the taxonomy is set to **Draft**.

Validate

You can use the **Check Taxonomy** option in the **Taxonomies (tfgld1170m000)** session to validate if all the accounts with sublevel 0 are mapped. LN performs these validation checks:

- All ledger accounts must be available in the new taxonomy. The dimensions are not considered for this check. However, if dimensions are considered, LN logs an error. The accounts for which the **Text** check box is selected in the **Taxonomies (tfgld1170m000)** session, are not checked.
- LN checks if the account type of the taxonomy element matches the account type and debit/credit indicator of the mapped general ledger account. If not, a warning message is displayed. The accounts for which the **Text** check box is selected in the **Taxonomies (tfgld1170m000)** session, are not checked.
- LN checks if the general ledger account is assigned to more than one Taxonomy account ID.
 - If dimensions are not used, and a ledger account is assigned to more than one account ID an error message is displayed. You must resolve the error to set the taxonomy **Status** to **Active**.
 - If dimensions are used, the account ID to be used for the ledger account must be based on the dimensions. In this situation, a warning message is displayed. However, this warning can be ignored.

You can also use the **Check Validated Taxonomy using History** option in the **Taxonomies (tfgld1170m000)** session to access the **Check Validated Taxonomy using History (tfgld1270m100)** session. This session allows you to check the taxonomy based on the range defined for the **Taxonomy**, **Version**, **Fiscal Year**, **Ledger Account**, and so on.

Activate

After the checks, if there are no errors identified and warnings are accepted, the taxonomy **Status** can be set to **Active** and taxonomy can be used for reporting.

Checking an Active Taxonomy

You can perform a check for an active taxonomy using the **Check Taxonomy** option in the **Taxonomies (tfgld1170m000)** session to check an active taxonomy. If an error occurs due to a missing ledger account, an error message is printed on the report.

Closing a Taxonomy

If a taxonomy is no longer used, because a new taxonomy is created or the current one contained errors, the taxonomy **Status** can be set to **closed**. A closed taxonomy can be archived and/or deleted.

Consistency of an active Taxonomy

Even after a taxonomy is defined and activated, the account structure can be modified. If a new general account is added, this account is not part of a taxonomy and therefore the taxonomy is considered as inconsistent.

- Using the unassigned account: If the **Unassigned Account** check box is selected in the **Taxonomies Accounts (tfgld1171m000)**, all the transactions, not mapped to an existing Account ID are grouped. If the reports display an amount for the unassigned account, it indicates that the mapping is not completed. The reason:
 - The general ledger account is added when the taxonomy is already active. The validation is already performed for the active taxonomy, therefore, the general ledger account is not mapped.
 - The mapping is performed using a range of dimensions. New dimensions can be added, therefore, dimension ranges are missed when setting up the Taxonomy mapping.

Archiving

To archive or delete, a taxonomy, the taxonomy **Status** must be set to **closed**.

Chapter 5: Period and Year End Processing

Using periods

Financial period types

Three financial periods exist:

- **Fiscal**
The official accounting periods that comply with the fiscal requirements. You enter all financial transactions according to this fiscal period allocation. The **Fiscal** period type shows which transactions have been created during a particular period. To define **Fiscal** periods is mandatory.
- **Reporting**
A division of the financial year, other than by fiscal periods. You can use the reporting periods for reporting from the ledger and for financial statements. Reporting periods can only be defined if the **Reporting Periods** check box in the **Group Company Parameters (tfgld0101s000)** session is selected. To define reporting periods is optional.
- **Tax**
Financial periods that you can use to account the tax amounts of financial transactions. You must define the tax periods in which the tax amounts of the financial transactions must be accounted for in the tax analysis. To define **Tax** periods is optional.

Example

A company is included in a holding structure as of 1 January. This company has defined periods of four weeks as fiscal periods. The tax authorities require the tax amounts to be settled monthly. In contrast, the holding company uses periods of three weeks as reporting periods. This is defined as follows:

Fiscal Period	Start Date	Reporting Period	Start Date	Tax Period	Start Date
1	01-01	1	01-01	1	01-01
2	29-01	2	22-01	2	01-02
3	25-02	3	12-02	3	01-03
4	25-03	4	05-03	4	01-04
5	22-04	5	26-03	5	01-05
6	20-05	6	17-04	6	01-06

Fiscal Peri- od	Start Date	Reporting Peri- od	Start Date	Tax Peri- od	Start Date
7	17-06	7	08-05	7	01-07
8	15-07	8	29-05	8	01-08
9	12-08	9	20-06	9	01-09
10	09-09	10	11-07	10	01-10
11	07-10	11	01-08	11	01-11
12	04-11	12	22-08	12	01-12
13	02-12	13	12-09		
		14	03-10		
		15	24-10		
		16	14-11		
		17	05-12		
		18	26-12		

If a transaction takes place on 26 June, it must be included in:

- Financial period 7, for the company itself.
- Reporting period 9, for the parent company.
- Tax period 6, for the tax authorities.

Financial period statuses

Financial periods can have these statuses:

- **Open**
You can enter transactions for this period.
- **Closed**
The period is closed, but you can still change the period status to **Open** to create some final transactions in the period.
- **Finally Closed**
The period has been closed through the **Close Periods (tfgld1206m000)** session. You cannot enter any transactions anymore for the period. The **Finally Closed** status can be assigned to a period only if the previous periods have the **Finally Closed** status. You cannot change the status of a period that has the **Finally Closed** status.

In the **Period Status (tfgld0107m000)** session, you can view and change the status of each period type.

The periods can be set to **Open**, **Closed**, and **Finally Closed** separately for these types of transactions:

ACP: Accounts Payable transactions

ACR: Accounts Receivable transactions

CMG: Cash Management transactions

INT: Integration transactions logging

GLD: General Ledger transactions

Set up financial periods

To set up financial periods:

- 1** In the **Group Company Parameters (tfgld0101s000)** session, define these period parameters:
 - **Reporting Periods**
 - **Number of Fiscal Periods**
 - **Number of Reporting Periods**
 - **Number of Tax Periods**
 - **Period Separator**
- 2** In the **Periods (tfgld0105m000)** session, define the periods. You can specify:
 - A financial period that you use to post corrections.
 - The period's start date.
- 3** In the **End Dates by Fiscal Year (tfgld0106s000)** session, set the end dates for the last period of a fiscal year.
- 4** In the **Period Status (tfgld0107m000)** session, set the required period status for each period.

Close financial periods

To close a financial period:

- 1** Indicate the year for which you want to close a period.
- 2** Select the module for which you want to close a period.
- 3** Select the **Final Closing** check box to set the period status to **Finally Closed**.
- 4** Specify a range of financial companies.
- 5** Select the appropriate check boxes to specify the periods you want to close.
- 6** Click the **Close Periods** button.

Before you can close the periods for the General Ledger, you must close the periods for these modules:

- Accounts Payable
- Accounts Receivable
- Cash Management

Note:

- You can only specify reporting period types and period ranges if the **Reporting Periods** check box in the **Group Company Parameters (tfgld0501m000)** session is selected.
- If the period for integration is closed, no more new transactions can be inserted in the integration tables for the closed period.
- Before you run this session, you must close all the batches for the relevant periods in the **Finalization Run Number (tfgld1609m000)** session.

Closed periods

You cannot create transactions in a closed period. However, a period with the status **closed** can be reopened in the **Period Status (tfgld0107m000)** session.

You cannot reopen a period that has the status **Finally Closed**.

Year-end processing

When you close the financial year, LN balances the profit and loss accounts and builds the opening balances of the balance sheet accounts for the new year. After you finally close the financial year, no financial transactions can be created or posted for the closed year.

Before you can close the financial year, you must process all integration transactions and recurring transactions, finalize all transactions, and close all the periods except the last **GLD** period. The last **GLD** period is typically the correction period. The **GLD** period must remain open because LN must create the entries to balance rounding differences and to balance the profit and loss accounts.

Run the **Period Status (tfgld0107m000)** session to set the periods for the individual modules to **closed**.

To close the financial year:

1 Ensure the integrity of the financial data

This step is optional. However, for best results, run the **Rebuild Opening Balance/History from Transactions (tfgld3203m000)** session to ensure that all the history transactions match with the finalized transactions. With this session, you can rebuild the ledger history and the dimension history at the same time.

During the rebuilding process, no financial transactions must be entered or generated in the current financial company. Otherwise, the rebuild may fail, or the result can be unreliable.

2 Close the year provisionally

This step is optional and is used for information only. You can run the **Close Year - Provisional (tfgld6201m000)** session to simulate the closing of the year. Without creating any transactions or postings, LN accumulates the amounts of all profit and loss accounts and builds provisional opening balances for all balance sheet accounts in the new fiscal year. You can view the new opening balances in the general ledger.

You can perform provisional year closing for the current fiscal year, which LN displays in the **Finance Company Parameters (tfgld0503m000)** session. After provisional year closing, you can continue to process transactions for the current fiscal year. You can still post corrections to a period in the year, and you can repeat the provisional year closing as required.

- 3 Clear the profit and loss accounts
Run the **Automatic Balancing (tfgld6202m000)** session to balance the profit and loss accounts.
- 4 Correct the rounding (Optional)
If the **Close Year - Provisional (tfgld6201m000)** session or the **Automatic Balancing (tfgld6202m000)** session result in an error message such as Balance ledger account does not tally for a currency, you must correct the rounding of the amounts.
After you complete corrections:
 - a Run the **Rebuild Opening Balance/History from Transactions (tfgld3203m000)** session.
 - b Rerun the **Close Year - Provisional (tfgld6201m000)** or **Automatic Balancing (tfgld6202m000)** sessions. If rerunning the latter session results in a new batch, finalize this batch before you proceed.
- 5 Finally close the financial periods
Run the **Close Periods (tfgld1206m000)** session to set the period status of all **GLD** periods to **Finally Closed** for all period types.
- 6 Close the year
Run the **Close Year (tfgld6203m000)** session to finally close the current year and to create opening balances for the new year. This will result in a new batch, which must be finalized in the next year.
If you finally close the current year, you can no longer process any transactions for the year. The opening balances created by the provisional year closing are overwritten.
- 7 Archive the history data
In the **Store Data for X Years** field of the **Group Company Parameters (tfgld0101s000)** session, you specify the number of years that the financial details must be retained in the current financial company. If the number of years has expired, you can run the **Archive/Delete Period Totals (tfgld6206m000)** session to archive and/or delete the financial data of a financial year. LN does not automatically perform this action.

Balancing methods

When you close the financial year, you can use the **Automatic Balancing (tfgld6202m000)** session to clear Profit and Loss accounts and post the total balance to the Retained Earnings account. In the **Finance Company Parameters (tfgld0503m000)** session, you select the balancing method for the Profit and Loss accounts.

The following balancing methods are available:

- **Total**
All Profit and Loss accounts are collectively cleared against the balancing account that you select in the **Finance Company Parameters (tfgld0503m000)** session and the total amount on the balancing account is posted to the Retained Earnings account. The profit and Loss accounts are not individually cleared.
- **Individual Accounts**
The Profit and Loss accounts are individually cleared against the Retained Earnings account.
- **Source of Earnings**

Each Profit and Loss account is individually cleared against the related Source of Earnings account. You can use this method to see how the total profit for the year is composed, for example, of operating profit, extraordinary profit, and so on.

- **Individual Accounts with Closing Balance**

The Profit & Loss accounts are individually cleared against the balancing account that you select in the **Finance Company Parameters (tfgld0503m000)** session. The Balancing account is cleared against the Closing Balance account. The non Profit & Loss accounts are also individually cleared against the Closing Balance account.

To correct the rounding

You can use the **Round (Non-)Finalized Amounts and Open Entries (tfgld6208m000)** session to correct the rounding of amounts that are not rounded according to the rounding factor defined for the transaction currency.

You can run this process for finalized and non-finalized transactions and open entries in the following tables:

- Non-Finalized Transactions (tfgld102)
- Finalized Transactions (tfgld106)
- Open Items (Sales Invoices and Receipts) (tfacr200)
- Open Items (Purchases Invoices and Payments) (tfacp200)

The process can result in unbalanced financial documents. You can use the **Correct Unbalanced Finalized Documents (tfgld6209m000)** session to create an additional document line to balance the rounding differences.

Note: You must correct the rounding before you finally close the ACP period, the ACR period, and the GLD period.

Chapter 6: Journals

Journal import

You can import journal transactions into LN from an outside source.

To import journal transactions, use one of the following:

- Exchange schemes
- The **Post Imported Journal Transactions (tfgld2215m000)** session

A default exchange scheme called JVIMPRT, is provided with the LN demo company. You can modify the exchange scheme or you can create new exchange schemes, if you want to use a customized format.

The default exchange scheme is designed to:

- Read an ASCII file.
- Retrieve the necessary data.
- Store the retrieved data in LN tables.

Note: You can access the LN tables in the **Post Imported Journal Transactions (tfgld2215m000)** session.

The exchange scheme searches four record types in the ASCII file:

- Batch header records
- Document header records
- Document line records
- Text records

The identification numbers are used to group sets of records in the ASCII file which belong to the same transaction. The identification numbers are used to select the data, which is imported into the general ledger. A one to one relationship exists between identification numbers and batch numbers in the general ledger.

When a batch has been successfully imported, the batch is treated in the same way as other nonfinalized transactions. The normal processing procedures are followed for maintenance and finalization of the transaction.

When a batch is processed, the detail records are removed from the import tables. The batch-header record remains and you can view the status of the imported journals in the **Imported Journal Files (tfgld2513m000)** session.

Import Journal Workbench

The import Journal Workbench allows you to maintain Journal which are imported using Exchange or from Excel. The **Import Journal Workbench (tfgld2616m000)** session can be used to:

- Import the external journal vouchers from Excel or Exchange. The data including the non-existing references (such as. ledger accounts, VAT codes, dimensions) are imported and any validity issues are reported to the user.
- View and modify the imported journal vouchers. Only users authorised to import or post the journal can modify the journal data.
- Post the imported journal voucher to the general ledger. The posting can be done when the imported journal contains no errors.

Create a template for excel

You can use the Export and Import option from the Action menu in the **Import Journal Workbench (tfgld2616m000)** session to create an excel template.

Import the External Journal Voucher from Excel

You must create a new Import Journal number for the appropriate type of journal ('Transaction Currency Journal or Multi-Functional Currencies Journal), to import an external journal voucher that has been created using Excel template. You must specify the Company where the transactions must be posted and select the series to be used for generating the Import Journal Number. This series along with the **Transaction Type** specified in the **Finance Company Parameters (tfgld0503m000)** session is used by LN to generate an Import Journal Number.

You can now import the journal using the Import option from the Action menu.

Validate the Imported Journal Voucher

LN validates the transaction data when the journal lines are imported, inserted, updated or deleted.

- As a result of the validation process, the status of the Import Journal and the Import Journal Lines can be set to:
 - Validated, if no errors are reported.
 - Validation Errors, if errors are reported.

Note:

- Ledger accounts linked to Operations Management are also imported using the workbench. After the transactions are posted to the General Ledger as non-finalized transactions, you must specify the costs related to the appropriate logistic object for the generated document line in the **Journal Voucher Documents (tfgld0618m000)** session.
- Ledger accounts linked to fixed asset (Investment, Depreciation or Maintenance) cannot be imported using the workbench.

Correcting the imported journals

LN allows you to update the Import Journal or Import Journal Lines if the status is not set to Posted. Only the users specified as **Authorized User for External Journals** in the **Finance Company Parameters (tfgld0503m000)** session, can update the data.

You can insert a new line to the Imported Journal. The status of this line is set to Draft. When you save the line, the data is validated and the status of the line is updated based on the result of the validation.

When you delete a line, the data is validated and the **Status** of the Import Journal and the **Status Message** of the line(s) is updated based on the result of the validation.

Posting the Imported Journal to the General Ledger

You can use the **Post Import Journal** option to post the Imported Journal to the General Ledger as non-finalized editable transactions.

- As a result of the posting process, the status of the Import Journal and the Import Journal Lines can be set to:
 - Posted, if no errors are reported.
 - Posting Errors, if errors are reported.

Note: This option is enabled only if the Import Journal Status is set to Validated.

If the Exchange option is used to import a journal voucher to LN, the **Post Imported Journal Transactions (tfgld2215m000)** session is used to post the journal. You can select the **Post to Import Journal Workbench** check box to post the journal to the workbench instead of general ledger.

Viewing and deleting the Imported Journal

You can use the **Import Journals (tfgld2516m000)** session to view all the imported Journals. You can open or delete the journal created by you if **Default Access by Batch** is set to **Individual Users** in **Finance Company Parameters (tfgld0503m000)** session. The user for which the **Authorized User for External Journals** check box is selected in the **Finance Company Parameters (tfgld0503m000)** session, can access or delete any Import Journal.

Recurring journals

Recurring journal transactions are journal transactions that LN can generate regularly, based on the transaction details and instructions that you set up in the recurring journal definition.

Common costs such as the costs of the office buildings and parking spaces, a canteen, technical staff and security officers, and the costs of heating, electricity, and water, are often distributed over the various departments and locations of an organization on a fixed basis. You can set up recurring journal definitions to distribute such costs.

For such costs, you can set up recurring journal definitions to generate the corresponding financial transactions and support the monthly accounting of the departments. The resulting reports provide useful management

information and they are required in countries in which organizations must prepare consolidated financial statements and are requested to disclose profit and loss for each department separately.

Recurring journal types

The type of a recurring journal definition indicates the transaction category.

These recurring journal types exist:

- **Journal Voucher**, to distribute costs across other departments or companies.
- **Purchase Invoice**, to generate simple recurring purchase invoices.
- **Sales Invoice**, to generate simple recurring sales invoices.

Note:

In the Accounts Receivable and Accounts Payable modules, you can also create recurring invoices and recurring payments in these sessions:

- **Recurring Sales Invoices (tfacr1514m000)**
- **Recurring Purchase Invoices (tfacp1113s000)**

The difference with recurring journal transactions of the **Purchase Invoice** or **Sales Invoice** type is that in the Accounts Receivable and Accounts Payable sessions, you can enter more transaction details.

Currency rates

Depending on the recurring journal type, you can select a *rate determiner* for the recurring journal transactions. If you use a dependent multicurrency system and the **Rate Determiner** is **Manually Entered**, you can change the rate between the transaction currency and the reference currency.

When you generate the recurring transactions and when you print a transaction report, you can either use the currency rates that are valid on the day when the transactions are generated or the currency rates you specified on the journal header.

Reversal transactions

You can reverse recurring journal transactions if the recurring journal is of the **Journal Voucher** type.

For example, to cover the telephone charges you can set up a recurring journal definition of the **Journal Voucher** type to monthly assign a fixed amount to the various departments. At quarter end when the actual telephone costs are known, you can reverse the journal transactions and charge the actual costs to the departments.

To use normal reversal transactions

Another way to reverse the transactions is to create the instructions and select the **Not Applicable** reversal type. To reverse the transaction, create an instruction of the **Normal Reversal** type. This instruction generates the transactions of the recurring journal definition but reverses Debit and Credit.

Note: For the normal reversal transactions, LN uses the currency rate information of the generation date of the reversal transaction, which can cause currency differences.

To set up recurring journals

1 Recurring Journals (tfgld0140m000)

- To create a new definition, you can:
 - Click New.
 - Select a recurring journal definition and click Copy. You can copy the journal definition including or excluding the individual transactions and instructions.

The **Recurring Journal (tfgld0140m100)** session starts.

2 Recurring Journal (tfgld0140m100)

- Enter or change the header data such as the transaction type, the currency, the **recurring journal type** of the transactions, the *rate determiner*, and the effective period during which the recurring journal vouchers can be generated.

If the recurring journal type is **Journal Voucher**, the rate determiner must be **Manually Entered**. If the recurring journal type is **Purchase Invoice** or **Sales Invoice**, you can select a rate determiner.

If you use a dependent multicurrency system and the **Rate Determiner** is **Manually Entered**, you can change the rate between the transaction currency and the reference currency, and you can enter a rate date.

3 Transactions (tfgld0141s000)

- Enter the transaction details such as the transaction amount, the ledger account and dimensions, and the tax details. You can enter multiple transaction lines.
- From the *appropriate* menu, select **Create Transactions from Document** to generate transaction lines that are based on an existing invoice. You can select the transaction type and document number of the document you want to use. The **Transactions (tfgld0141s000)** session starts.

These rules apply:

- If the recurring journal type is **Journal Voucher**, you must enter at least two lines and the total amount must be zero.
- If the recurring journal type is **Purchase Invoice** or **Sales Invoice**, you must enter at least one line. For purchases, the total amount must be negative (debit) and for sales, positive (credit).

4 Schedule (tfgld0143s000)

- View the lines and the resulting total amounts and tax amounts.
- On the **Schedule** tab, click New.
You can only create schedules if the transaction lines fulfill the conditions listed in Step 3.
- For transactions that must be periodically reversed, select **Included for Periodic Reversal** in the **Reversal Type** field.
- In the **Reversal Date** field, enter the date on which the transactions must be reversed.
- For the same recurring journal definition, create a schedule with the reversal type **Periodic Reversal** and in the **Generation Date** field, enter the reversal date of the transactions that must be reversed. The schedule reverses all the transactions of which the reversal date matches the generation date. If the reversal dates of the journal transactions are different, you must create a **Periodic Reversal** transaction for each reversal date.

5 Recurring Journal (tfgld0140m100)

- In the header, set the **Recurring Journal Status** to **ReLeased**. LN validates the journal details and the instructions.
A message is displayed to explain any errors. The status remains **Registered**. Correct the error, and then set the status to **ReLeased**.

6 Schedule (tfgld0143s000)

- The transactions will be generated when you run either of these sessions:
 - **Generate Recurring Journal Transactions (tfgld0240m000)**
 - **Automatically Generate Recurring Journal (tfgld0240m100)**

A document and its reversal document are generated for a schedule line if the line's generation date falls within the specified period range.

Note: The document date will be the generation date that you enter in the schedule. As a result, you must create a schedule for each time that you want the journal transactions to be generated. For example, if you want to generate the journal transactions monthly during one year, you must create twelve schedule lines with generation dates in the successive months.

If you select the **Use Latest Currency Rates** check box, LN uses the currency rates that are valid on the day when the transactions are generated. Otherwise, LN uses the currency rates you specified on the journal header.

7 Print Recurring Journal Proof List (tfgld0443m000)

You can optionally use this session to simulate the recurring journal transactions and print a report. Before you generate the recurring journal transactions, you can print this report to check whether the journal transactions will be correctly generated.

To generate recurring journal transactions

To generate recurring journal transactions, use these sessions as required:

- **Generate Recurring Journal Transactions (tfgld0240m000)**
Use this session to generate journal transactions for a range of recurring journal definitions.
- **Automatically Generate Recurring Journal (tfgld0240m100)**
Use this session to automatically generate journal transactions for a single recurring journal definition. Alternatively, you can copy recurring journal transaction lines from an existing document or template, generate a simple schedule, and release the recurring journal through this session. You can modify the recurring journal definition if it has not been released. The same condition applies to automatically generated recurring journals.

In either session, you can enter generation dates for which you want to generate the transactions, and a batch reference.

If you select the **Use Latest Currency Rates** check box, LN uses the currency rates that are valid on the day when the transactions are generated. Otherwise, LN uses the currency rates you specified on the journal header.

LN generates the transactions for the recurring journal definitions that meet these conditions:

- The recurring journal status is **ReLeased**.
Note: You can use the **Automatically Generate Recurring Journal (tfgld0240m100)** session to set the status.
- The schedule line's generation date is within the period range. If specified, the reversal document is generated for these lines.
- For transactions of the **Sales Invoice** or **Purchase Invoice** recurring journal type, open entries are created in the Accounts Receivable and Accounts Payable modules.

Reverse entries

You can use the Reverse Entry (tfgld1295m000) session to create reversal documents.

You can create reverse entries of finalized transactions for the following transactions:

- Journal vouchers.
- Sales invoices that you entered in Financials.
- Sales credit notes that you entered in Financials.
- Purchase invoices not linked to purchase orders (cost invoices).
- Purchase invoices that are not yet matched or approved.
- Purchase credit notes not linked to purchase orders.
- Transactions that result from an integrated external package which is defined as External Package in the integration mapping scheme.
- Opening balances.
- The following Cash Management bank transactions:
 - Advanced payments
 - Advanced receipts
 - Unallocated payments
 - Unallocated receipts
 - Journal entries

On ledger accounts that can be matched, you can only reverse the transactions that are not yet matched.

You can only reverse single transactions, and you can reverse a transaction only once. You cannot reverse a batch of transactions. If you have corrected the transaction document or linked the transaction document to another document, you cannot reverse the transaction.

You must reverse purchase and sales invoices through credit notes, and you must reverse credit notes through invoices. For other transactions, the reversal transaction is usually of the same type as the original transaction. The reversal transaction type must belong to the same transaction category as the original transaction type.

If negative amounts are allowed for the transaction type, LN creates reverse postings of the same type (debit or credit) with amounts with the inverse sign (+ instead of - or - instead of +). If negative amounts are not allowed for the transaction type, LN reverses debit postings through credit postings of the same amount and the other way round.

If you reverse a journal transaction, the reversal document is referred in the document history of the original document. The document number of the reversal document appears in the **Original Document** field. If you reverse an open entry through a credit note, LN links the credit note to the open entry so that the balance automatically becomes zero.

If you reverse a sales or purchase credit note through an open entry, LN cannot balance the entries automatically. You must manually link the credit note to the invoice afterwards. If you want to correct the transaction that you reversed, LN can copy the original document to a new document. The postings on the new document are the same as the postings on the original document. You can change the amounts and/or accounts and/or dimensions on the new document in the Transaction Entry (tfgld1140m000) session.

Note: To use the **Transaction Entry (tfgld1140m000)** session, user-specific defaults must exist in the Transaction Entry Defaults (tfgld0131m000) session.

LN assigns new batch numbers to the reversal document and the new document if you created one. You must finalize the new batches in the standard way.

Note:

You cannot reverse the following transactions:

- Integration transactions such as **Purchase/ Direct Delivery, Sales/ Item Surcharge Issue, Warehouse Transfer/ Issue**.
- Intercompany transactions.
- Transactions linked to assets, projects, services, and Order Management.
- Transactions that result from an integrated external package which is not defined as External Package in the integration mapping scheme.

Archiving finalized transactions

To support correct archiving in a multicompany structure, the following rules apply:

- Each company must have its own archive company. Companies cannot share an archive company.
- The structure of archive companies must be an exact copy of the live environment.
- A company must keep the same archive company until the end of its lifetime. Once data has been archived, you cannot change the archive company.

If extra archiving capacity is required, it is recommended that you set up a second archiving environment, which must also be an exact copy of the live environment. Define the companies of the second archive environment as the archive companies of the companies of the first archive environment. If necessary, a third and more archiving environments can be set up. You must then archive the data from each archive company to its archive company in the second archiving environment, and so on.

When you archive the data, LN builds an array with all the companies of the group and the archive company linked to each company. If any of the companies in the group does not have an archive company, LN reports an error and aborts the archiving process.

Batches and batch lines are only archived and/or deleted if you perform archiving and deletion in the company in which they exist. This is always the source company. Any intercompany documents and related finalized transactions that belong to the batch are not archived and/or deleted until the target company is archived.

If the batch has been deleted from the live environment, such intercompany documents and transactions will then temporarily exist without a batch in the live environment until the target company's transactions are archived. Therefore, it is recommended to archive all the companies of a group within a short time.

Finalization runs are also archived. A finalization run can only be deleted from the live environment if all the attached batches have also been deleted.

Financial documents are archived and/or deleted if you perform archiving and deletion in the company in which they exist. For each document, LN searches whether a related intercompany document exists.

If the document's transaction type indicates that the document numbering does not have to be in a fixed sequence, the document is not deleted from the live environment, to avoid duplicate document numbers.

A finalized transaction is not deleted from the live environment if the fiscal year of the transaction does not equal the fiscal year of the batch and the fiscal year of the transaction cannot yet be archived. If the Archive option is selected, the related batch, batch line, and document are copied to the archive company and retained in the live environment.

If a transaction is still referenced by open sales orders or purchase orders, it is marked as **DeLeted** but not actually deleted. The related batch, batch line, and document are copied to the archive company and retained in the live environment. They are deleted when the referenced open transactions are closed and archived, for example, when you run the **Archive/Delete Fully Paid Purchase Invoices (tfacp2250m000)** session

If the transaction's ledger account is a matchable account, any related matching data is also archived.

During the archiving process, the originating company of the finalized transaction is replaced with the originating company's archive company. In this way, the archive environment will not contain references to the live environment.

During archiving, intercompany document relations are also copied to the archive environment. In the archive environment, these relations are updated in such a way, that each document in the relation refers to the environment in which the document actually exists. In the live environment, the document relation is retained until all related finalized transactions are deleted. For invoice-related transactions, this only occurs during the removal of fully-paid invoices. The document relation is also updated in the live environment, in order to refer to the archived document if all related finalized transactions have been removed from the live environment.

After the normal archiving process, an additional archiving step is performed in which all transactions and documents in the live company that arise from intercompany postings, are archived. During this step, intercompany relations are archived and/or deleted as described earlier.

Batches, batch lines, and documents that have the **DeLeted** status are deleted from the live environment, unless the document's transaction type indicates that the document numbering does not have to be in a fixed sequence. Such documents are not deleted from the live environment, to avoid duplicate document numbers.

Chapter 7: General Ledger Workbench

You can use the General Ledger Workbench (tfgld8350m000) to compare actual figures of the current period with the previous period, same period previous year or the budget. The variances are displayed in amounts and percentages. You can use the filter options to search the data. For example, you can focus only on large deviations. In the workbench, you can drilldown from the parent ledger account to the original transaction.

The selection (left) pane of the workbench allows you to select the data based on which the General Ledger details are displayed in the details (right) pane.

You can use these options on the toolbar:

- Use the print option to select the General Ledger data that must be printed. The options are:
 - Print Non-Finalized Transactions
 - Print Finalized Transactions – Ledger Account
 - Print Finalized Transactions – Dimension/Ledger
 - Print Debit and Credit Amounts by Document
 - Print Reconciliation Data
 - Print Reconciliation Data Project (PCS) Work In Process
 - Checklist Reconciliation Goods Received Not Invoiced
 - Print Account Matching Transactions
 - Print Intergroup Interim Transactions
- Use these options on the References menu to view transactions or matched transactions for the selected ledger account:

Transactions

A window is displayed wherein you can select company and column based on which the transactions must be displayed. You can also select if the finalized or non-finalized transactions must be displayed. Infor LN displays the Transactions (tfgld3509m000) session or the Non-Finalized Transactions (tfgld3508m000) session based on the selected data.

Matched Transactions

The Matched Transactions (tfgld1551m000) session is displayed with the data related to the selected ledger account. This option is enabled only if the selected account is set up for account matching in the Chart of Accounts (tfgld0508m000) session.

General Ledger Workbench selection pane

The selection pane in the General Ledger Workbench (tfgld8350m000) session comprises of these sections:

- Company Selection
- Data Selection
- Compare To
- Display Options

You can specify the data in each section and click Apply Selection. The General Ledger data is displayed in the details pane based on the specified data. You can click Save Defaults to save the specified data. The saved data is displayed when you access the workbench next time.

Company Selection section

In this section, you can select the data related to the company:

Company

The code of the company for which the General Ledger data must be displayed. For more information, see

Reporting Currency Group

The code of the reporting currency group for which the General Ledger data must be displayed. In an environment with multiple financial companies, this code defines the common home currency to be used in reporting and viewing data for those companies that are linked to the code. This field is only applicable if the Currency System is 'Standard' in the Companies (tcemm1170m000) session and 'Multiple Companies' has been selected in the Company field in this workbench.

Currency

The home currency of the company for which the General Ledger data must be displayed.

Data Selection section

In this section, you can select the data related to the General Ledger:

Period Type

The period type for which the data is displayed. Possible values:

- Fiscal
- Reporting

This value is displayed only if the Reporting Periods check box is selected in the Group Company Parameters (tfgld0501m000) session.

Year

The fiscal year for which the data is displayed. The years defined in the Year (tfgld0606m000) session are considered.

Period

The period for which the data is displayed.

Account Type

The type of account. Possible values:

- Balance Sheet

- Profit & Loss
- Intercompany
- Intersegment

Accounting Scheme

The accounting scheme for which the data is displayed. Possible values:

- Statutory
- Complementary
- Both

By default, this field is set to Statutory.

Dimension Type

One of the dimension types that are defined in the Group Company Parameters (tfgld0501m000) session

Include Non-Finalized

If this check box is selected, the transactions that have not yet been finalized are also considered.

Exclude Zero Balances

If this check box is selected, only the data without zero balance is considered.

Compare To section

In this section, you can select the data for comparison to analyze the selected period data.

Compare To

The data based on which the comparison is performed. Possible values:

- Previous Period (selected period minus 1)
- Period Previous Year (default) (same period of previous year)
- Budget (the estimated amounts for the selected year)

Budget

The budget based on which the comparison is performed. This field is enabled only if the Compare To field is set to Budget.

Display Options section

In this section, you can customize the data displayed in the details pane.

Columns

The data (columns) that must be displayed in the details pane. Possible values:

- Opening Balance
- Debit/ Credit Up to Period
- Movements Up to Period
- Debit/ Credit Period
- Movements Period
- Debit/ Credit Closing Balance Period
- Closing Balance Period

Variations

The difference between the actual amount and the comparison amount expressed in amount and/or percentage.

Priority


The data that must be displayed in the details pane based on the selection. Possible values:

- Ledger Account (Default); you can zoom to the dimension distribution distribution using the 'Go to Details' button in the line.
- Dimension; you can zoom to the ledger account distribution using the 'Go to Details' button in the line.

Note: You can set this field to Dimension only if the Dimension Type is selected in the Data Selection section

General Ledger Workbench details pane

The details pane in the General Ledger Workbench (tfgld8350m000) session displays the data based on the settings in the selection pane.

You can click  to view the dimension distribution of a Ledger Account and vice versa that shows complete hierarchal tree structure and can go back to previous selection using back button.

General Ledger Workbench company scenarios

These are the possible scenarios in the General Ledger Workbench (tfgld8350m000) session for the data displayed in the selection pane:

Sce- nario	Company Type	Currency System	Results
1	Single	Single	<ul style="list-style-type: none"> • The current company is defaulted in the Company field and you cannot modify this value. • The Local Currency specified for the company is defaulted in the Currency field and you cannot modify this value. • The Reporting Currency Group field is not displayed.

Scenario	Company Type	Currency System	Results
2	Single	Standard/Dependent/Independent	<ul style="list-style-type: none"> • The current company is defaulted in the Company field and you cannot modify this value. • You can select Local, Reporting 1 or Reporting 2 in the Currency field. By default, this field is set to Local Currency. • The Reporting Currency Group field is not displayed.
3	Group	Single	<ul style="list-style-type: none"> • You can select more than one company in the Company field. • The Local Currency specified for the company is defaulted in the Currency field and you cannot modify this value. • The Reporting Currency Group field is not displayed.
4	Group	Standard	<ul style="list-style-type: none"> • You can select one company in the Company field, or you can select the option Multiple Companies. • If you select Multiple Companies in the Company field: <ul style="list-style-type: none"> • The Reporting Currency Group field is enabled, and the first reporting currency group in the list is defaulted. • The currency of the specified Reporting Currency Group is defaulted, and you cannot modify this value. • If you select one company in the Company field: <ul style="list-style-type: none"> • The Reporting Currency Group field is not enabled. • You can select Local, Reporting 1 or Reporting 2 in the Currency field. By default, this field is set to Local Currency.

Scenario	Company Type	Currency System	Results
5	Group	Dependent	<ul style="list-style-type: none"> • You can select more than one company in the Company field. • If more than one company is selected, the Reference Currency is defaulted in the Currency field and you cannot modify this value. • If only one company is selected, you can select Local, Reporting 1 or Reporting 2 in the Currency field. By default, this field is set to Local Currency. • The Reporting Currency Group field is not displayed.
6	Group	Independent	<ul style="list-style-type: none"> • You can select more than one company in the Company field. • You can select Local, Reporting 1 or Reporting 2 in the Currency field. By default, this field is set to Local Currency. • The Reporting Currency Group field is not displayed.

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