

# Solutions



**Unit: Financials**

**Topic: Manage the Chart of Accounts**

## **1-1 Transactions**

Which function do you use to change the properties for a G/L account?

*Financials → Chart of Accounts*

Which function do you use to remove an account from your chart of accounts?

*Financials → Edit Chart of Accounts*

## 1-2 Create a balance sheet title and an active account.

### 1-2-1 Create a new title.

Choose *Financials* → *Edit Chart of Accounts*.

Choose the *Assets* Drawer and choose *OK*.

Select an existing Level 4 account in the *Assets* section and choose *Add Same-Level Account*.

Make sure the *Title* radio button is selected.

Enter the account details.

Field Name or Data Type	Values
<i>G/L Account</i>	<Type a suitable number>
<i>Account Name</i>	<b>National Bank</b>
<i>G/L Account Location</i>	<You can choose from the dropdown list, or leave the existing definition>

Choose *Update* to save the title.

### 1-2-2 Define the bank G/L account.

Choose *Financials* → *Chart of Accounts*

Highlight the new **National Bank** title.

Choose *Data* → *Add*.

Enter the following data.

Field Name or Data Type	Values
<i>G/L Account</i>	<Type a suitable number>
<i>Name</i>	<b>National Bank (Domestic)</b>
<i>Currency</i>	<Your local currency>

Choose *Add*.

### 1-3 Create an expense account.

Choose *Financials* → *Chart of Accounts*.

Choose the *Operating Costs* drawer.

Select a suitable expenditure title under which you want to create the account.

Choose *Data* → *Add*.

Select *Active Account*.

Field Name or Data Type	Values
<i>G/L Account</i>	<Type a suitable number>
<i>Name</i>	<b>Internet</b>
<i>External Code</i>	leave blank
<i>Currency</i>	<your local currency>
<i>Account Type</i>	<b>Expenditure</b>

Choose *Add*.

### 1-4 Delete an account.

Choose *Financials* → *Edit Chart of Accounts*.

Select *Assets*.

Choose *OK*.

Choose an active account and right-mouse click to see the context menu.

Choose *Advanced* then *Delete Account*.

Choose *Update*.

#### **Note: Prerequisites for deleting G/L accounts**

- No transactions have been posted to the account, including the opening balance.
- The account is not:
  - Defined as a control account
  - Included in *G/L Account Determination*

## 1-5 Create an advanced G/L account determination rule.

### 1-5-1 Create an advanced rule.

Go to the *Advanced G/L Account Determination Rules* window in *Administration → Setup → Financials → G/L Account Determination → G/L Account Determination* and choose the *Advanced* button.

Check the existing rules and verify that in the *Item Group* column the **J.B. Printers** item group is defined for one of the rules. Also check that **Warehouse 01** is selected for this rule and the rule type is set to **General**. Verify that the rule has a revenue account defined for it. Write down the account code.

If the rule is not defined, define it and choose a dedicated revenue account:

Field Name or Data Type	Values
<i>Code</i>	<Type a suitable code>
<i>Type</i>	<b>General</b>
<i>Item Group</i>	<Choose <b>J.B. Printers</b> from the dropdown list>
<i>Warehouse Code</i>	<b>01</b>
<i>Description</i>	Sales Rev. JB from WH 01
<i>Active</i>	Checked
<i>Revenue Account</i>	<Using the Choose from List option select a sales type account - revenues from printers, or define a new account using the <i>New</i> button>

Choose *Update* and *OK*.

In the *G/L Account Determination* window verify that the account defined in the rule is different than the revenue account defined in the company level.

**1-5-2 Allocate the revenue amount to the dedicated account.**

Go to *Sales – A/R → A/R Invoice*.

Choose a local customer. In the *Business Partner Master Data*, under the *Addresses* tab check that the *Ship to Country* is the same country defined under *Administration → System Initialization → Company Details → General*.

Choose an item belonging to the **J.B. Printers** item group.

From the toolbar, choose the *Form Settings* icon. Choose the *Document* tab and then the *Table* sub-tab. Ensure that the **General Warehouse (Warehouse 01)** is selected.

Choose *OK*.

Choose the linking arrow in the *Item No.* field. Verify that in the selected item, under the *General* tab, the **Advanced Rule Type** field is set to **General**.

Choose *OK*.

Add the invoice.

Then, check the automatically created journal entry.

Browse back to the last added invoice. Under the *Accounting* tab choose the linking arrow in the *Journal Remark* field.

Make sure that the revenue account defined in the advanced rule was credited.

**1-5-3 Definitions.**

If *Item Group* is defined as the first criterion in *Administration → Setup → Financials → G/L Account Determination → Determination Criteria* then rules with a specific item group defined for them will have the highest priority.