Affordable, Adaptable ERP Software

General Ledger User Guide

Version 6.00

Fitrix™

General Ledger ♦ User Guide

Version 6.00

Software License Notice
Your license agreement with Fourth Generation Software Solutions, which is included with the product, specifies the permitted and prohibited uses of the product. Any unauthorized duplication or use of Fitrix INFORMIX-4GL version, in whole or in part, in print, or in any other storage and retrieval system is forbidden.

Licenses and Trademarks
Fitrix is a registered trademark of Fourth Generation Software Solutions. Informix is a registered trademark of Informix Software, Inc. UNIX is a registered trademark of AT&T.

FITRIX ACCOUNTING MANUALS ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, FURTHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE ENTIRE RISK AS TO THE QUALITY AND PERFORMANCE OF THE FITRIX ACCOUNTING MANUALS IS WITH YOU. SHOULD THE FITRIX ACCOUNTING MANUALS PROVE DEFECTIVE, YOU (AND NOT FOURTH GENERATION SOFTWARE SOLUTIONS SOFTWARE OR ANY AUTHORIZED REPRESENTATIVE OF FOURTH GENERATION SOFTWARE SOLUTIONS) ASSUME THE ENTIRE COST OF ALL NECESSARY SERVICING, REPAIR, OR CORRECTION IN NO EVENT WILL FOURTH GENERATION SOFTWARE SOLUTIONS BE LIABLE TO YOU FOR ANY DAMAGES, INCLUDING ANY LOST PROFITS, LOST SAVINGS, OR OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OF OR INABILITY TO USE SUCH FITRIX ACCOUNTING MANUALS, EVEN IF FOURTH GENERATION SOFTWARE SOLUTIONS OR AN AUTHORIZED REPRESENTATIVE OF FOURTH GENERATION SOFTWARE SOLUTIONS HAS BEE ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM BY ANY OTHER PARTY. IN ADDITION, FOURTH GENERATION SOFTWARE SOLUTIONS SHALL NOT BE LIABLE FOR ANY CLAIM ARISING OUT OF THE USE OF OR INABILITY TO USE SUCH FITRIX SOFTWARE OR MANUALS BASED UPON STRICT LIABILITY OR FOURTH GENERATION SOFTWARE SOLUTIONS' NEGLIGENCE. SOME STATES DO NOT ALLOW THE EXCLUSION OF IMPLIED WARRANTIES, SO THE ABOVE EXCLUSION MAY NOT APPLY TO YOU. THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS AND YOU MAY ALSO HAVE OTHER RIGHTS, WHICH VARY FROM STATE TO STATE.

Fourth Generation Software Solutions
100 Galleria Parkway, Suite 1020
Atlanta, GA 30339
http://www.fitrix.com

Corporate: (770) 432-7623
Fax: (770) 432-3447
E-mail: sales@fitrix.com

Table of Contents

Chapter 1

Introduction

This chapter contains the following information designed to introduce you to the Fitrix General Ledger:

- Understanding the General Ledger
- Features and Capacities of the General Ledger

General Ledger—Introduction

It's imperative to know at any given time what your financial standing is so that sound decisions can be made in a timely manner to improve your company's profitability. The General Ledger provides companies with complete financial reporting from all aspects of the business to manage corporate performance and monitor the return on investment.

The Fitrix General Ledger module combines power and flexibility with ease of use, to give you the critical information you need to make timely and informed business decisions and manage your business more effectively. Up to date financial statements can be run on a daily basis if needed. Fitrix analytical tools include audit trail reports, drill-down capabilities that enable you to view everything from detailed journal entries to original source documents, financial analysis reporting such as actual versus budgeted , this year versus last year, plus an interface with the F9 report writer tool that enables you to perform "what if" analysis and write customized financial statements.

General Ledger Features/Function Highlights

- **Modular Integration** – Direct integration with all Fitrix Accounting and Distribution modules
- **Flexibility** – ability to have multiple periods and even multiple fiscal years open at one time. There is no need to postpone entering transactions in the current month/year until the prior month/year is closed out
- **Drill Down** – ability to drill down from an account balance to see all entries that make up the balance and the source document for each entry
- **Budgeting** – on line data entry that can be entered by company and division /department within the company
- **Reversing Journal Entries** – ability to mark journal entries for accruals as reversing so they will be reversed automatically in the next accounting period
- **Recurring Journal Entries** – ability to set up recurring journal entries that will recur every month or only when selected to recur
- **Date Control** – password protects the number of periods (backwards and forwards) to which a user can post transactions.
- **Account Number Control** - ability to block system maintained account numbers in transactions that are system maintained. For instance the Accounts Receivable asset account number could be blocked.

Reporting

Reports available include:

- GL Activity Audit Trails
- Trial Balance
- Income Statement:
  - Department detail
  - Consolidated
  - Summary By Account Category
  - This Year/Month versus Last Year/Month
- Balance Sheet:
  - Department detail
  - Consolidated
  - This Year/Month versus Last Year/Month
  - Actual versus Budget

Optional F9 Financial Report Writer

F9 is one of the leading general ledger based report writers on the market. With this tool you can take up-to-the-minute data from Fitrix General Ledger and import into Excel and from there you can:

- Perform “what if” analysis
- Create customized financial reports in various formats that span any time frame, even one day or one week reports
- Ability to “slice and dice” your GL account number into segments representative of your business (region, division, department)
- Consolidated financial reporting for multiple databases if you are running more than one company with Fitrix
- Allows you to pass budget information from your spreadsheet back to the Fitrix GL thereby reducing data entry and data entry errors.

General Information

Reference Files

This section covers the various files that are referred to throughout the documentation. The discussion includes the file name, the menu and menu option used to maintain the file, and the purpose served by the file.

Activity files: Used "behind the scenes" by the Fitrix system to ensure that users who have installed more than one accounting module enjoy cohesive interaction among them. At the time of posting, documents are posted to these activity files, and the system thus ensures that changes to the database made through the Order Entry module, for example, result in appropriate updates to data tables used by other installed modules—for example, Inventory Control.

Account Groups file: Accessed through the Update Account Groups option on the Ledger Setup Menu. This file holds group codes and descriptions along with the account names and numbers associated with each unique code. The information in this file can be used to relieve the user from having to memorize account names and numbers for various transactions.

Account Number Ranges file: Accessed through the Update Account Number Ranges option on the Setup Company Menu. This file stores the range of account numbers associated with each type of account: Asset, Liability, etc. It represents your Chart of Accounts.

Checking Accounts file: Accessed through the Update Checking Accounts option on the Setup Company Menu. This file stores the number and description for each asset account designated to serve as a checking account.

Company Information file: Accessed through the Update Company Information option on the Setup Company Menu. This file includes the name and address of your company. If you are assigning income and expenses to departments within your company, this file will also contain the code and description for each department.

General Journal file: Accessed through the Update General Journal option on the Ledger Journal Menu. This file includes the date and description of transactions entered in the current accounting period, the source journal, and the accounts and debit/credit amounts involved.

G/L Activity file: Accessed through the Post General Journal option on the Ledger Journal Menu. This file contains detailed information on all original, recurring, and reversing transactions posted during the current accounting period. The file stores the source journal and a description of the transaction along with the accounts and amounts involved.

Ledger Accounts file: Accessed through the Update Ledger Accounts option on the Setup Company Menu. Each document in this file represents one of your general ledger accounts. Information stored in this file includes account numbers, respective descriptions, and optional subtotal groups. The file also includes information on whether the each account is increased with a credit or a debit.

Ledger Defaults file: Accessed through the Update Ledger Defaults option on the Ledger Setup Menu. This file holds default information used by the system including the current accounting period and year, the start and end dates for the period, the number of the Retained Earnings account, information relating to past periods, and a flag field that determines whether setup is complete.

Multilevel Tax Code file: Accessed through the Update Multilevel Tax Codes option on the Multilevel Tax Menu. This file stores tax codes, rates, and descriptions, and the ledger accounts to which tax amounts will be posted.

Multilevel Tax Groups: Accessed through the Update Multilevel Tax Groups option on the Multilevel Tax Menu. This file contains one-character codes assigned to groups of tax codes for entry of transactions involving multiple levels of taxes. Multilevel tax groups are valid only when the Use Multilevel Tax Groups field of the Company Information form is set to Y.

Recurring Documents file: Accessed through the Update Recurring Documents option on the Recurring Documents Menu. This file holds information on documents which are copied repetitively. The information in this file is identical to the General Journal file except for the Select for Copying field which determines the regularity with which each document is copied.

Source Document file: Accessed through the Update Source Document Types option on the Ledger Setup Menu. This file contains the various source codes and descriptions which represent the various ledgers in your accounting system. The ledgers represented in this file are available for use when updating journals.

Different Databases

Fitrix *Business* products come with two distinct sets of data. The standard company set contains the real data for your company; the sample company set contains data that is used for tutorials and other training purposes. The sample database is used so that anyone who is new to the system can see examples and run options without risk of damage to the real accounting data of your company.

In addition to the standard and sample data sets, different databases may be set up for your system by your authorized Fitrix reseller so that you can run multiple companies from one system. The name of the current database is displayed on the top left portion of the main screen.

To change to a different database/company, click on Settings, at the top of the main screen and then select Change Database Access.

Chapter 2

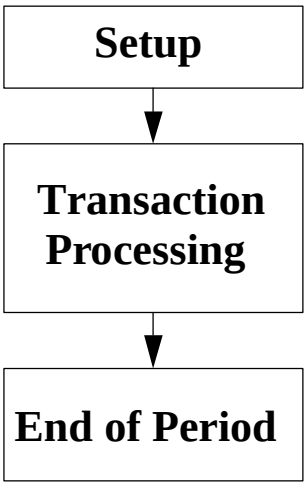
Data Flow

The following topics are covered in this chapter:

- Phases in the Accounting Cycle
- General Company Information
- The Accounting Cycle
- Transaction Processing

Phases in the Accounting Cycle

The cycle of activity within Fitrix follows a pattern that is consistent across all modules. The cycle consists of the following phases: setup activities, transaction processing, and end of period activities.



The three phases must be performed in sequence:

1. **Setup** must be complete before any transaction processing begins.

2. **Transaction Processing** requires that all transactions be entered and checked against an edit list in order to be posted.

3. **End of Period** activities report on transactions that were posted during the transaction processing phase.

Phase 1: Setup

The setup phase in Fitrix involves general procedures for company setup, as well as specific procedures for setting up each accounting module: General Ledger, Accounts Payable, Accounts Receivable, and Payroll.

Company Setup

Company setup must be done before module-specific setup. This set up includes entering the name and address of the company, assigning department codes, and establishing account number ranges. Other activities include entering ledger accounts and designating certain cash ledger accounts as checking accounts.

Module Specific Setup

Module-specific setup activities vary from module to module, but include, for example, designating default ledger accounts for the module and entering existing open items, as well as entering account groups, customers and vendors, ship-to and pay-to addresses, etc.

When setup activities are complete, the system needs to be told that the setup phase is complete. In the module's Update Defaults program, you enter Y in the Setup Complete field. This initiates the execution of pre-transaction processing procedures, such as posting of existing open items. Once these procedures are complete, you can begin the next phase, transaction processing.

Phase 2: Transaction Processing

Transaction processing is the day-to-day handling of documents. It consists of three separate processes: entering and updating documents, checking the edit list, and posting documents.

A transaction is initiated by entering a document. Each screen for entering documents shows the ledger accounts that will be affected by the document and provides fields for entering other relevant information about the document (e.g., for Accounts Receivable invoices, a ship-to address, terms, miscellaneous charges, sales taxes, etc.). Once a document has been entered into the system, it may be updated at any time before posting.

Checking the edit list

After all the documents have been entered, you can print and check the edit list. This list simply shows all documents currently in the system waiting to be posted. The edit list shows which ledger accounts will be adjusted and what effect each document will have on them, along with other information about each document. If mistakes are found on this report, corrections can be made through the document entry screen, and the edit list can be run again. Any errors that will prevent the posting of a document (ie- "Document does not balance", "Setup not complete", "Account not found", etc.) show up on the edit list.

The edit list can be printed and checked as many times as necessary, but must be run at least once per document before posting can take place. If a document on an edit list is corrected via the input screen, an edit list must be run again before posting.

Posting documents

Posting puts transactions into activity tables for the General Ledger and any other module affected. Posting can be done at any time after an edit list has been run, and can be done as many times within a period as necessary.

Once a document has been posted, it cannot be changed. If an incorrect document is posted, the only way to undo the error is to enter and post a reversing entry.

Besides the posting of documents, the posting operation may also include adding or updating balances in open item tables. After one or more postings, reports can be run to show the activity for a given period. Such reports are usually run at the end of the period.

Phase 3: End of Period

End of period activities are categorized into General Ledger activities and module specific activities.

General Ledger activities

General Ledger end of period activities process and summarize the effects on each ledger account of all documents posted through the various modules. General Ledger Activity Reports can be generated in either detail or summary output to show the adjustments to each ledger account made by a given module's transaction processing. These reports can be run at any time.

Module-specific activities

1. **Reporting**

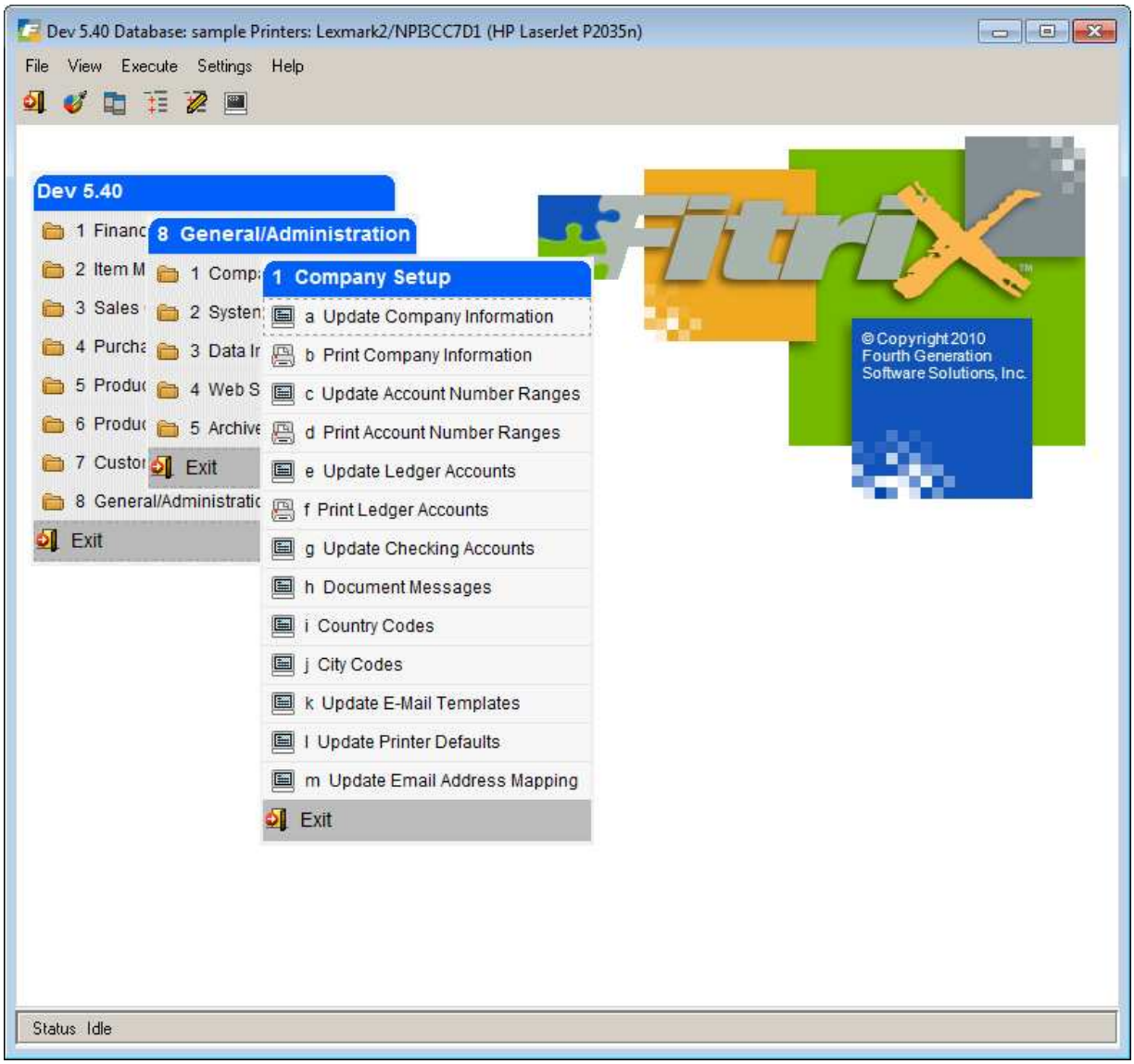
   Besides the reports that detail a module's effect on General Ledger, module specific activity reports can also be generated. Normally this is done by printing the journals for the module. Journals report on posted documents and show which ledger accounts are affected by a particular document.

2. **Creating recurring documents**

   Recurring documents are those that would normally be re-entered each time a certain kind of periodic transaction occurs. Fitrix Business allows these documents to be given a “tag” that designates them as recurring, so that at period end these same documents may be automatically created for the next period. This frees you from having to enter the same document month after month. Recurring documents that have been created for the next period may be updated and posted just like manually entered documents.

Company Setup

The first step in setting up Fitrix is to set up the company. The first six options are needed for General Ledger Set-up. The other options on this menu are discussed in detail in Chapter 9 of the Getting Started with Fitrix User Guide.



Company Information

Update Company Information (mandatory)

The first activity in setting up your company is to enter basic information such as company name and address through the update Company Information menu option. This is the information that prints out on remit-

tances, e.g., invoices, checks, etc. This menu option is also used to enter company department codes and their respective values.

Print Company Information (optional)

This option prints out a report showing the company name, address, and department/accounting structure.

Account Number Ranges

Update Number Ranges (mandatory)

Next, ledger account ranges are added. The ledger account numbers must be entered in ascending sequence. This must be done before the entry of the ledger accounts themselves.

Print Account Number Ranges (optional)

This option prints a chart of account breaks.

Ledger Accounts

Update Ledger Accounts (mandatory)

Ledger accounts may be added through the Update Ledger Accounts option.

Print Ledger Accounts (optional)

This option prints out a listing of ledger accounts, i.e., a chart of accounts.

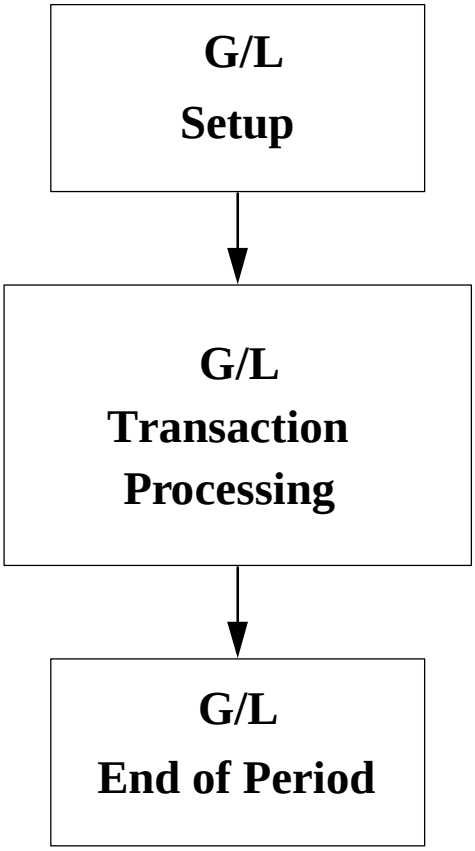
Checking Accounts

Update Checking Accounts (optional)

Certain cash ledger accounts may be designated as checking accounts with the Update Checking Accounts menu option. This step is necessary in order to make use of the Reconcile Checking Accounts menu option in Accounts Payable, which allows you to reconcile cash ledger accounts with bank statements for these designated accounts.

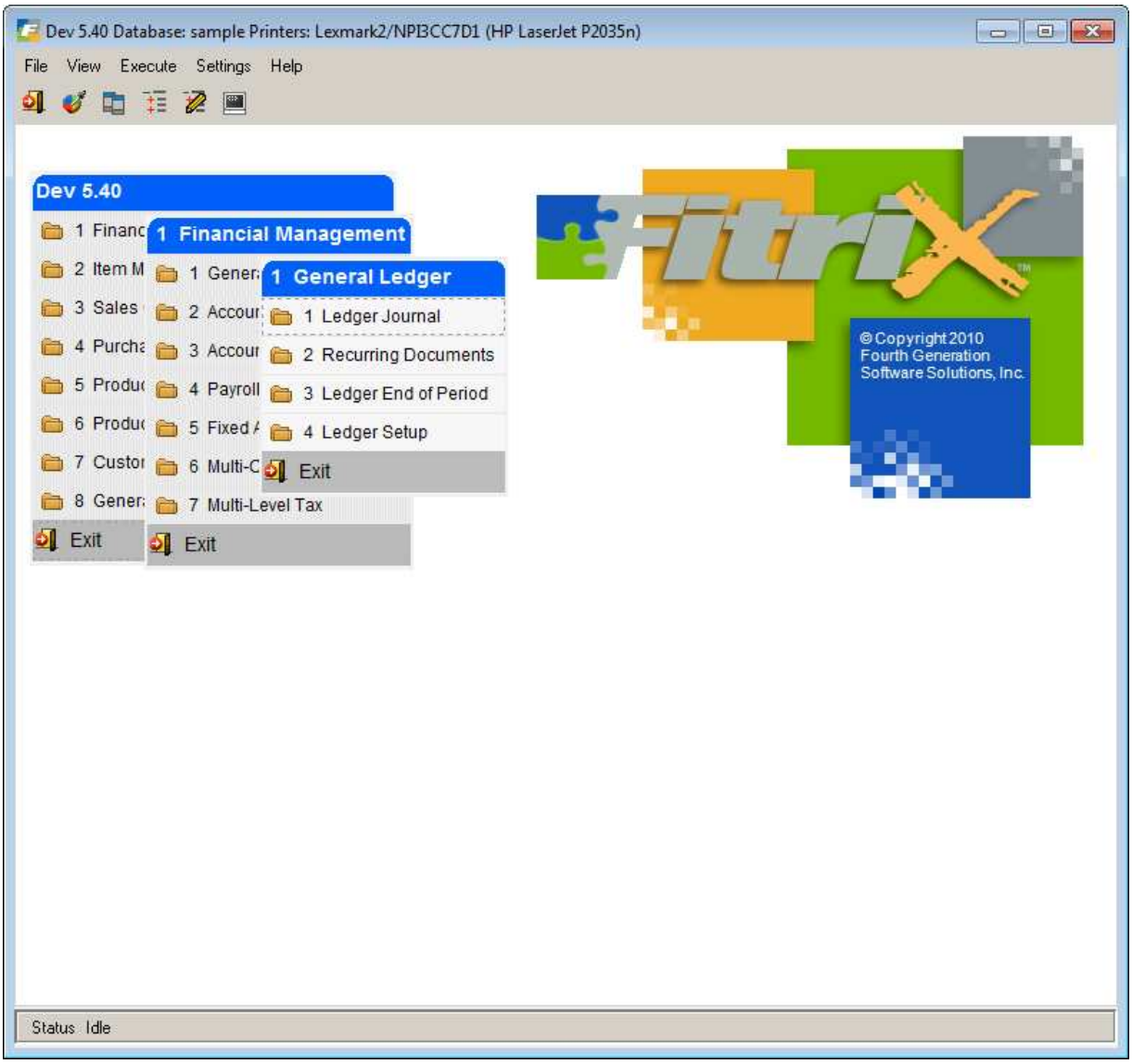
G/L Accounting Cycle

The accounting cycle for General Ledger follows the basic Fitrix Cycle. After the general company setup procedure, there are G/L-specific **setup** activities, **transaction processing**, and **end of period** activities.



General Ledger Setup

Primary activities for setting up General Ledger include entering ledger defaults, entering ledger accounts and their beginning balances, and updating source document codes.



Ledger Defaults

Update Ledger Defaults (mandatory)

Update Ledger Defaults is the primary activity for G/L Setup. Through this screen all period information is specified for Fitrix. During G/L setup, period start dates and end dates are defined. The current accounting period and fiscal year are define. The ability to directly enter debits and credits within G/L is activated here. Also, the default retained earnings account is specified (this ledger account must already exist).

Print Ledger Defaults (optional)

This option prints out a report of data input from Update Ledger Defaults.

Ledger Accounts

Update Ledger Account Balances (mandatory)

The procedure for entering ledger accounts in General Ledger is different from the way ledger accounts are entered in other modules. The Update Ledger Account Balances menu option allows the user not only to add ledger accounts, but also to add beginning balances, department codes and budgeted amounts associated with a ledger account.

Print Ledger Accounts (optional)

This option prints a listing of ledger accounts, a conventional chart of accounts.

Print Ledger Account Balance (optional)

This option prints ledger accounts with respective balances for any number of periods or ledger accounts. You are prompted for beginning and ending periods and ledger account numbers.

Source Document Types

Update Source Document Types (optional)

This option allows you to enter code and description of source documents (e.g., CR for cash receipts, AP for vendor invoices, etc.)

Print Source Document Types (optional)

This option allows you to print out a listing of the source document types.

Account Groups

Update Account Groups (optional)

This option is used to enter and maintain account groups.

Print Account Groups (optional)

This option allows you to print out a listing of account groups with code, description and ledger accounts.

Setup Complete

Once G/L ledger setup activities have been completed, the system needs to be updated that setup is complete. This must take place before any transaction processing can begin (i.e., before documents can be posted). This is done by filling in the Ledger Setup Complete Date field and setting the Ledger Setup Complete field to Y. A verification message appears to verify that setup is being completed.

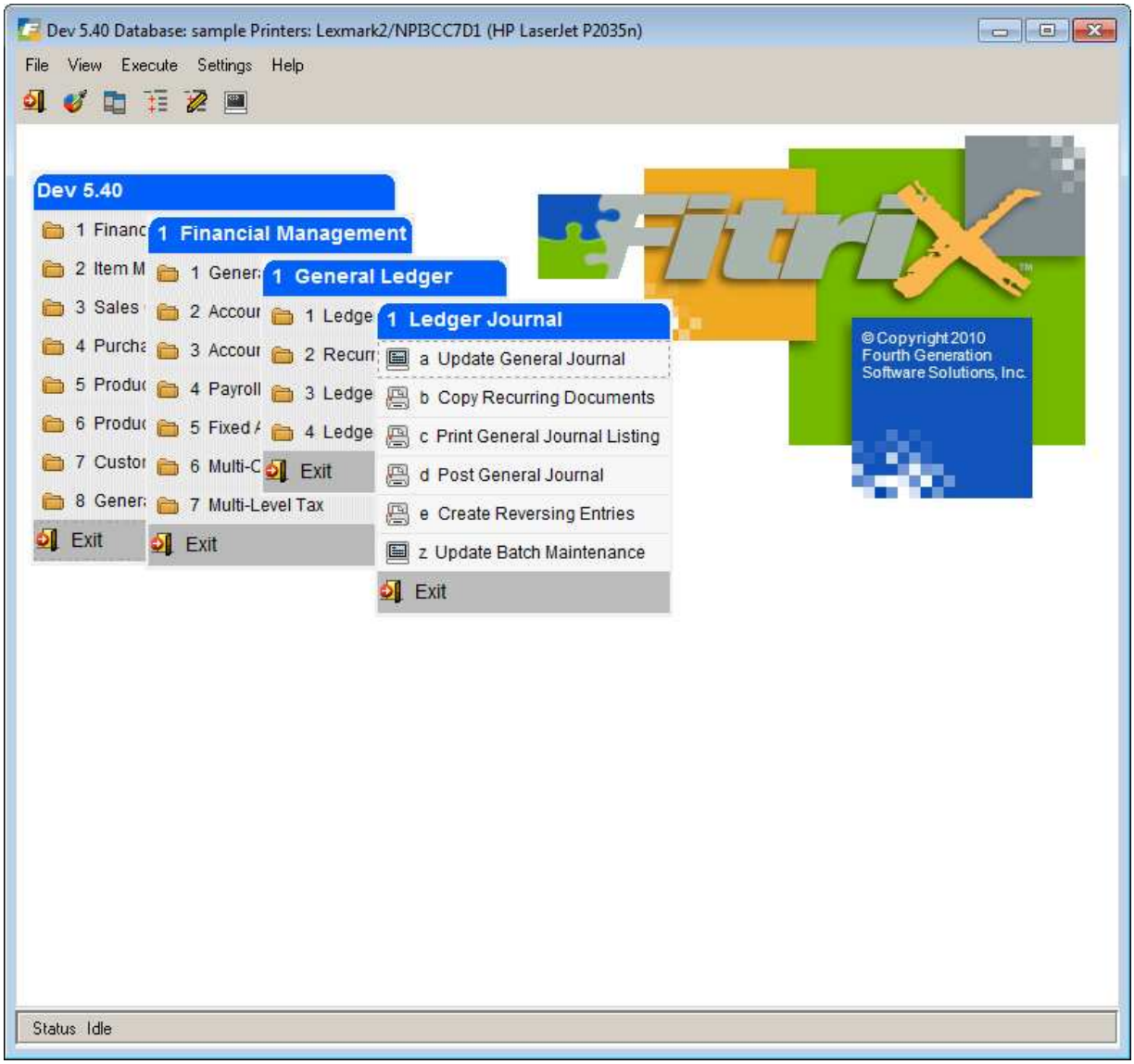
Upon verification the following occurs:

- The current period is placed under G/L control.
- Past and future periods are not under G/L control.
- Beginning balances entered in Update Ledger Account Balances are posted to the G/L posting tables.

Once General Ledger setup is complete, the only field that can be updated on this screen is the “Direct DB/CR Entry” field. All other fields cannot be updated. Also, beginning ledger account balances can no longer be entered or updated with the Update Account Balances option. Unlike Accounts Receivable and Accounts Payable, it is NOT possible to reset the “Ledger Setup Complete?” field back to “N”.

General Ledger Transaction Processing

General Ledger transaction processing involves updating the general ledger and posting the general ledger entries.



Ledger Journal Menu

Update General Ledger

In G/L, a General Journal document begins as an entry made through the Update General Journal menu option.

Print General Journal Listing

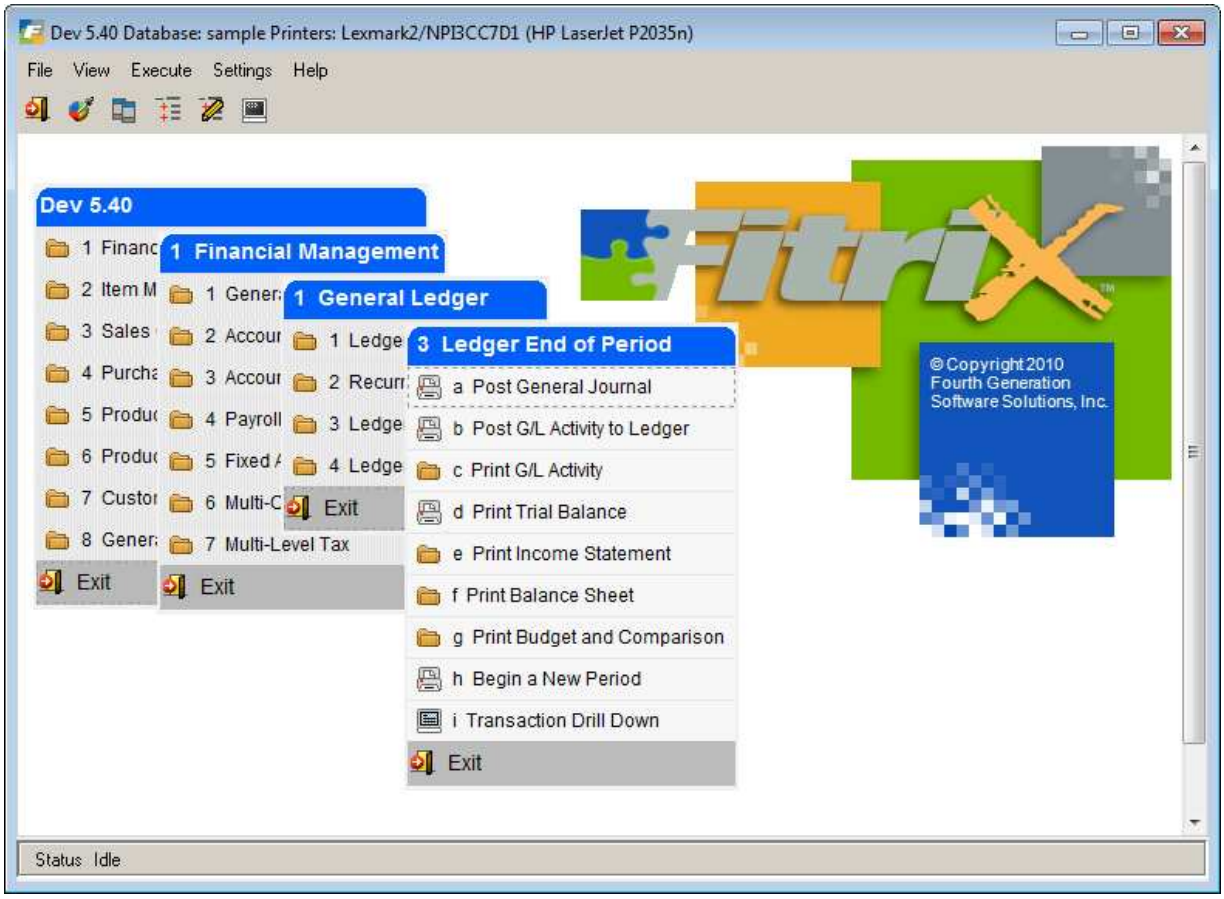
Before posting General Journal documents, an Edit List must be run using the Print General Journal Listing menu option. Data entry mistakes found on the listing may be corrected through the Update General Journal menu option.

Post General Journal

Finally, General Journal documents are posted to the G/L activity tables. A posting report is printed out showing which documents have been posted. This report looks exactly like the edit listing, except that General Journal document numbers have been assigned to each posted document.

General Ledger End of Period

At end of period, the general ledger balances table should be posted to and then various financial reports can be run.



End of Period Posting

Post General Journal

This option posts general journal entries to posting tables and generates a report. This menu option is also accessible from the Ledger Journal menu previously discussed.

Post G/L Activity to Ledger

Next, the Post G/L Activity to Ledger menu option is run. For each ledger account, a running balance is kept for each period in the activity table. This option will total all posted General Ledger documents (which include documents from other modules) and update the balances for the current period. Only then can the financial statements (trial balance, balance sheet and income statement) be run.

Print G/L Activity

The G/L Activity Report, accessed from the Print G/L Activity option, shows all adjustments to each ledger account for the period. It can be printed in either detail or summary format. You are required to enter starting and ending periods. On this report, all GL activity, not just activity initiated through General Journal, is shown on the report.

The G/L Activity report can act as an optional edit listing before running the Post G/L Activity to Ledger menu option. Changes may be made as General Journal entries through Update General Journal. Print G/L Activity can be run before or after Post G/L Activity to Ledger.

End of Period Reports

Print Trial Balance

This report program prints out all debits and credits for each ledger account. It also checks whether debits are equal to credits.

Print Income Statement

This program prints out profit/loss at any given time, based on income minus cost of goods, minus expenses.

Print Balance Sheet

This program prints a snapshot of the financial status at any point in time, based on assets minus liabilities plus capital.

Print Budget and Comparison

This program prints out the current balance, budgeted balance, and last year's balance for selected ledger accounts.

Close Current Period

Begin a New Period

To end the current period, the Begin a New Period program is run. This program prompts for the next period and period end date and creates the new accounting period.

Copy All Recurring Documents

This program creates General Ledger journal entries by copying in all recurring documents which can then be modified or deleted with the Update General Journal option.

All General Journal documents setup as recurring may be created, or a selection from these documents may be created. The Print All Recurring Documents option can be used to generate a report showing all recurring documents. Once created, recurring documents may be updated or deleted just like manually entered General Journal documents.

Chapter 3

Menus Overview

The following topics are included in this chapter:

- G/L Setup
- Transaction Processing
- End of Period Activities
- Financial Reporting

Before you Begin

Before you can enter transactions into Fitrix General Ledger, you must first complete “setup” of the system. During setup, you enter basic reference information, your Chart of Accounts and special General Ledger reference information.

Fitrix General Ledger activities can be divided into four broad categories. The sets of menu options corresponding to these activities are listed and briefly discussed in the next section.

G/L Setup

Entering company information

Entering accounting reference information

Completing the G/L setup

Transaction Processing

Entering and reviewing documents

Posting entries to General Journal

Posting to ledger accounts

End of Period Activities

Reviewing period activity

Changing to a new period

Report Production

Printing reference information

Printing transaction processing reports

Printing financial reports

Overview of G/L Setup

Before you can begin entering transactions, you must perform a series of steps to enter all of the information the system refers to during transaction processing. This includes specifying the database you wish to work with, and entering basic company information and accounting reference information.

Once all information for your setup is in place, you declare your setup complete by entering the set up complete date and setting the set up complete flag to Y using the Update Ledger Defaults program.

Company Setup

The following options, found on the **Company Setup menu**, are used to set up your company and the Chart of Accounts on the system.

- Update Company Information - enters or modifies your company's name, address, and department information.
- Print Company Information - prints your company information.
- Update Account Number Ranges - specifies numeric ranges in your chart of accounts corresponding to different types of ledger accounts (assets, liabilities, capital, etc.).
- Print Account Number Ranges - prints a list of account ranges.
- Update Ledger Accounts - add to or modify Chart of Accounts (account numbers, descriptions, subtotal groups).
- Print Ledger Accounts - prints a list of ledger accounts (account numbers and descriptions; account types).

Accounting Reference Files

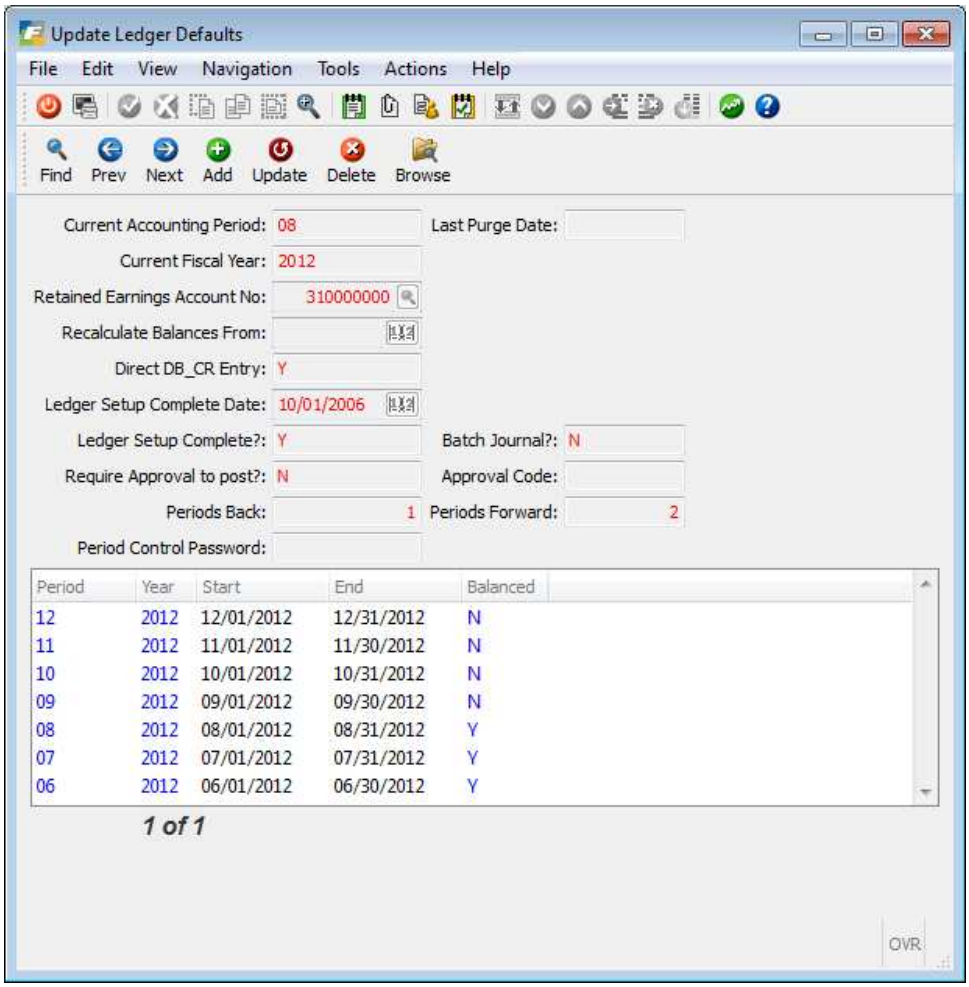
The following options, accessed from the **Ledger Setup menu**, allow you to set up and/or update accounting periods, account numbers, and account balances. You can also set up account group codes for groupings of accounts and Source Document Types that may be the source of the entries. This information is referred to by the system when you enter and process transactions.

- Update Ledger Defaults - specify accounting periods, retained earnings account number, ledger setup complete date, and period protection.
- Print Ledger Defaults - prints a list of the ledger default settings.
- Update Account Balances - enter balances for existing accounts.
- Print Ledger Account Balances – prints the list of ledger accounts with account balances for each period.
- Update Source Document Types (optional) - create codes for sources of transactions
- Print Source Document Types - prints a list of source document type codes
- Update Account Groups (optional) - create codes for groups of ledger accounts associated with frequently entered transactions
- Print Account Groups - prints a list of account group codes

Completing G/L Setup

Following entry and review of reference information and accounting information, you must enter the set up complete date and set the set up flag equal to Y to indicate to the system that setup of your G/L information is complete. No postings are possible until the G/L setup is declared complete.

The following option accesses the **Ledger Defaults screen program**: Update Ledger Defaults (4-a)



Note

Once the Ledger Setup Complete field is set to “Y” and the information has been stored, the settings in the Ledger Setup Complete Date and Ledger Setup Complete fields cannot be changed. See the “Completing G/L Setup” section of this manual before proceeding with this step.

Step	Action
1	Set the earliest date for which G/L activity from other modules will be posted to ledger accounts to create beginning balances Ledger Setup Complete Date
2	Set this field to “Y” only after all setup steps are completed and checked Ledger Setup Complete? (Y/N).

Typically the first date for the posting of transactions to ledger accounts is the same as the first day of the current period.

Because the Ledger Setup Complete date is independent of the date for starting the current period, if you have been using other Fitrix modules prior to the installation of Fitrix General Ledger, you have the option of posting activity from those sources to ledger accounts, in the form of beginning balances, for dates that fall before the start of the current period.

Documents whose dates fall before the Ledger Setup Complete Date can be stored for reference purposes but cannot be posted to ledger accounts.

Overview of Transaction Processing

After setup is complete, you can begin entering and processing G/L transactions. The steps in this process correspond to options found on the Ledger Journal menu and the Ledger End of Period menu.

Ledger Journal Menu:

- Update General Journal – enter journal entries
- Print General Journal Listing- edit that must be run before you can post journal entries
- Post General Journal – post journal entries. . This option is also available on the Ledger End of Period menu.
- Create Reversing Entries – used to reverse journal entries where EOP reverse is set to Y if they need to be reversed prior to opening another new period.

Ledger End of Period menu:

- Post G/L Activity to Ledger- posts GL activity into the tables that store the balances that print on the various financial reports
- Print G/L Activity- this option is provided to allow you to review system-wide activity that will affect account balances, and can be run at any time in the transaction processing cycle.

Overview of End of Period Processing

Activities performed with the Ledger End of Period menu options include period maintenance and reporting on activity.

Print G/L Activity- review period activity (in summary or detail formats).

Begin a New Period- makes the next period the new “current” period.

Copy All Recurring Documents - loads recurring documents that will be used in new “current” period (Other options for selecting, updating, and printing recurring documents are found on the recurring Documents menu).

Copy All Recurring Documents.

Note

If the End of Period process is being run for the last period of a fiscal year, this option directly affects account balances (for example, zeroing out income and expense accounts and posting a retained earnings amount). Running this option to begin a new year creates a report showing how account balances are affected.

Overview of Financial Reporting

Financial reporting options are accessed from the Ledger End of Period menu. They allow you to analyze activity that enters the G/L from various sources and print standard financial reports in a number of different formats. Though financial reports are typically generated at the end of accounting periods, these reports can be run at any time.

Note

The folder icon preceding a print option indicates that a submenu will appear allowing you to further specify your selection or print format.

- Print G/L Activity - shows all postings from the General Journal and from the journals of other Fitrix modules
- Print Trial Balance – shows all debit and credit activity for each account
- Print Income Statement - calculates net income from income and expense account totals for the period. Comparative format includes account information from the previous year
- Print Balance Sheet shows the proportion of the value of the company distributed among asset, liability and capital accounts
- Print Budget and Comparison - allows you to compare activity for an account to budget amounts

Chapter 4

Company Setup for GL

The Setup Company Menu contains the following topics:

- Setting up Company Information
- Account Number Ranges
- Ledger Account Numbers and Descriptions

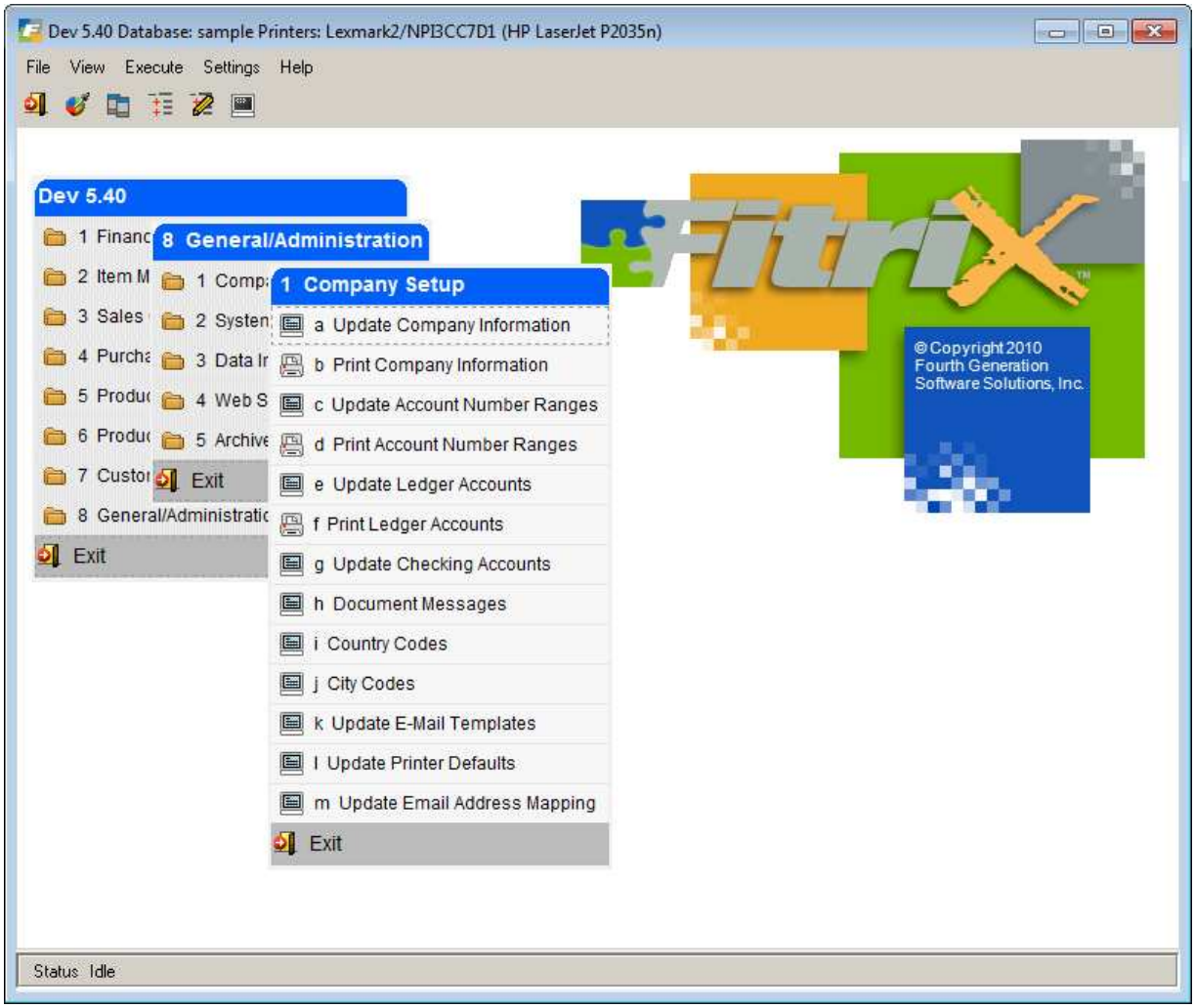
Order of Setup Steps

When you set up reference files, the order of steps is designed so that earlier steps add information that can then be accessed automatically in the course of later steps. For instance, once you have set up account number ranges, any time an account number is entered the system can automatically tell you what type of account it is (for example, whether it is an asset or liability account). Conversely, if you try to perform setup steps out of order (for example, setting up account numbers before defining account ranges) you may defeat the system's capacity to provide useful data-entry information through automatic lookups.

The setup steps that apply to all Fitrix modules (performed from the Company Setup menu that is accessed from option 8, General/Administrative) are covered in detail in this chapter.

Reference Information Options

The Setup Company Menu:



Company Information

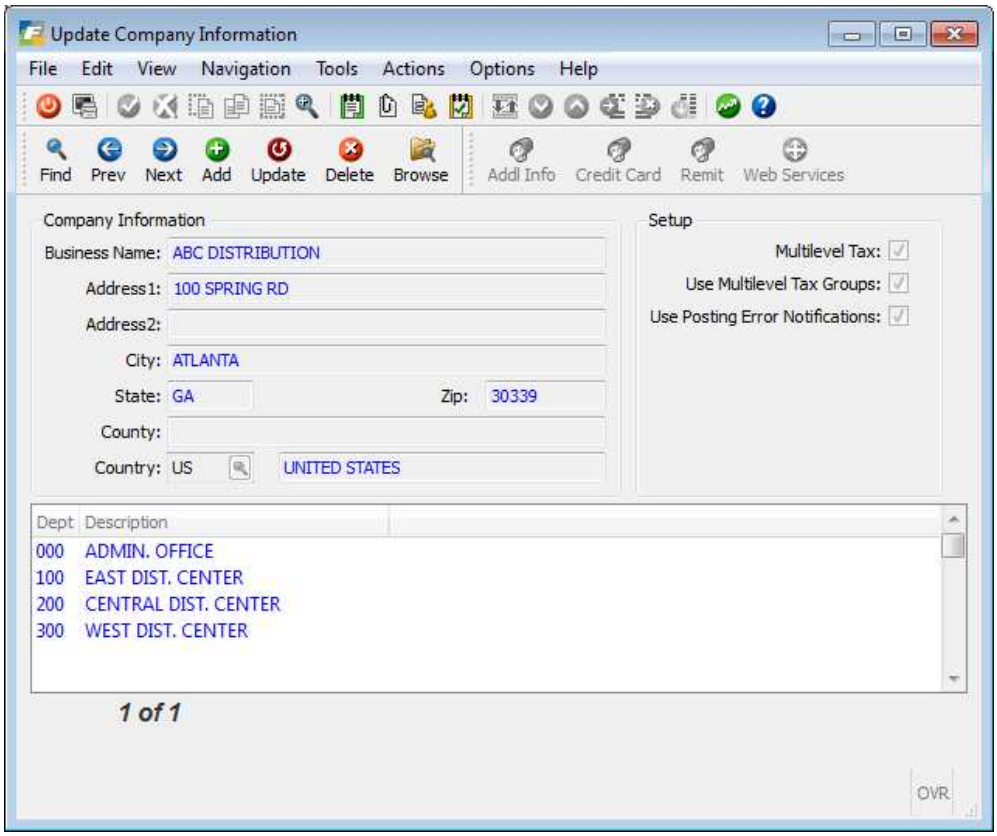
Use this program to store basic company information—your business name and address, department codes, and whether or not you will use the Multilevel Tax feature.

Multilevel Tax features are used in conjunction with Fitrix Accounts Payable and Accounts Receivable modules to track costs and prices that are subject to more than one type of tax. For information about the use of Multilevel Tax features, see *Chapter 10.*

Update Company Information

This option is used to set up and maintain the Company file. This file stores data regarding the name and address of your company, which is used on reports. In addition, department codes—used if you intend to assign income and expenses to departments—are stored here. Refer to the definitions for departments and profit centers in Appendix B: Glossary for further information.

The Company Information screen:



When you first use the system, the company information fields have default data provided in both the sample and standard company data sets. This data is included merely as a sample, and should be modified to represent your company.

The data in the Company table is unique to each database (i.e. company). The table contains one and only one record; therefore, the commands on the command prompt, with the exception of Update, have been disabled. The name and address entered in the Company Information section appear on all reports generated by the system.

The Company Information screen contains the following fields:

1. **Business Name:**

   This alphanumeric field may be up to 30 characters in length, and contains your company's name. The entry in this field will be displayed on reports generated by the system.

2. **Address1**:

   This is the contact address of the company. Up to 30 alphanumeric characters may be entered.

3. **Address2:**

   This field provides an additional 30-character address line for suite number or other address information.

4. **City, State, Zip :**

   Enter the city, state, and zip code for your company.

5. **County:**

   Up to 30 alphanumeric characters may be entered.

6. **Country:**

   This field may contain up to 30 alphanumeric characters.

7. **Multilevel Tax:**

   Set to Y only if using Fitrix modules that have multilevel tax capabilities (AP, AR, OE, PU). See the chapter on multilevel tax for more information.

8. **Use Multilevel Tax Groups:**

   Unless you enter a "Y" in the Multilevel Tax field, this field is skipped. See Chapter 3 - Multilevel Tax for more information.

9. **Use Posting Error Notifications:**

   If this box is checked you will receive a notification on your screen if a record is locked during a posting routine. For example, if you are posting sales orders and one of the customers affected is open in update mode by another user you will receive a message on your screen notifying you what table is locked and what user is locking it so you can ask them to close it and you can run the post routine again.

The Department section of the screen stores up to one hundred department codes. The department field is alphanumeric, allowing you to establish numeric or alphabetic (or a combination) codes. The use of department codes for tracking income and expenses is completely optional.

1. **Department Codes:**

   In this column, you enter a department code that identifies a profit center, a division of the company, etc. Throughout the Fitrix modules, you have the option of posting sales and expenses to specific departments. This is a three-character field (alphanumeric).

2. **Description:**

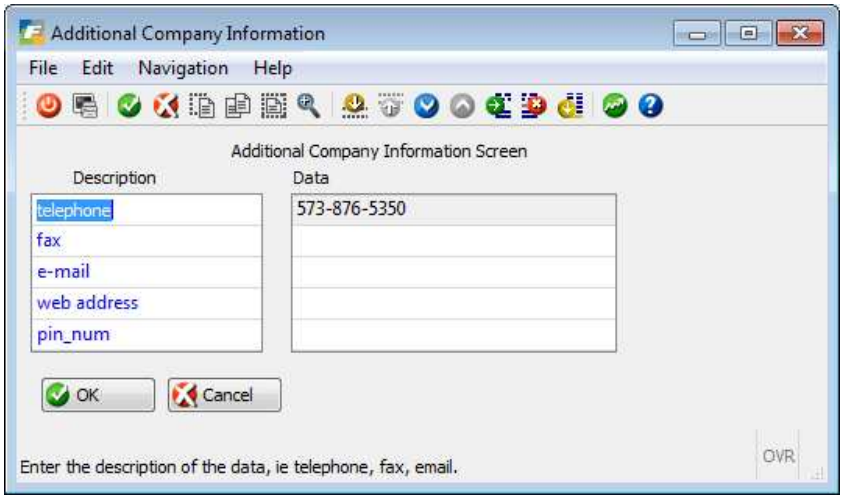
   In this column, you specify the department name associated with the department code in the same row. Your alphanumeric department name may be up to 30 characters in length.

Additional Company Information

Additional Company Information

Click on the 

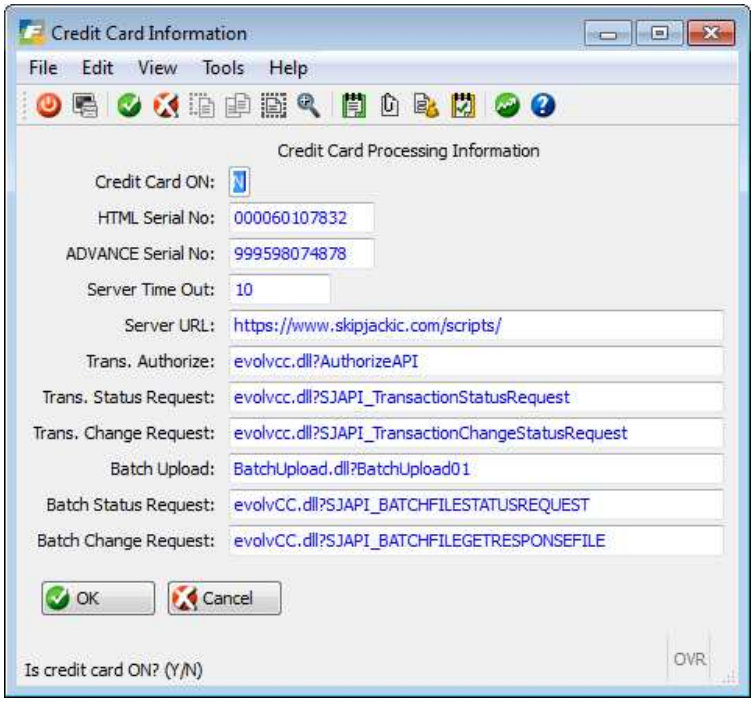
icon and this screen displays. This screen is used to store additional information such as telephone number, fax number, etc.



Credit Card Processing Information

Click on the 

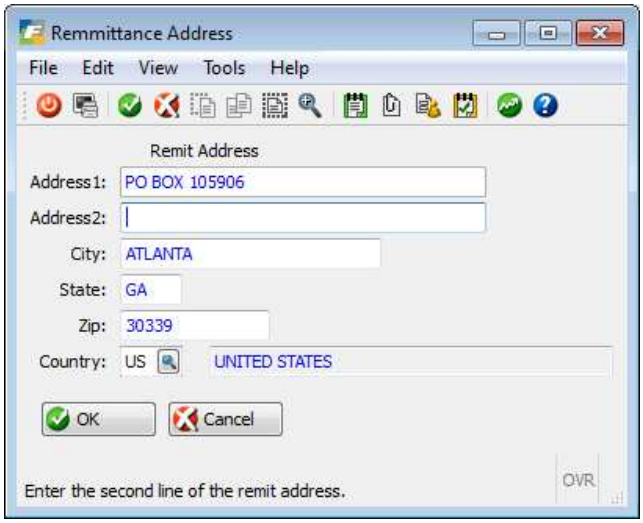
icon to display this screen. If you are using credit card processing in Order Entry, it is in this screen that you enter the interface information.



Remittance Address

Click on the 

icon to display this screen. The address information entered here will print on OE and AR invoices.



Web Services

Click on the 

icon to turn on web services used by the Federal Express and UPS shipping interfaces. See the Federal Express/UPS User Guide for more information on how these interfaces work with Fitrix Order Entry.

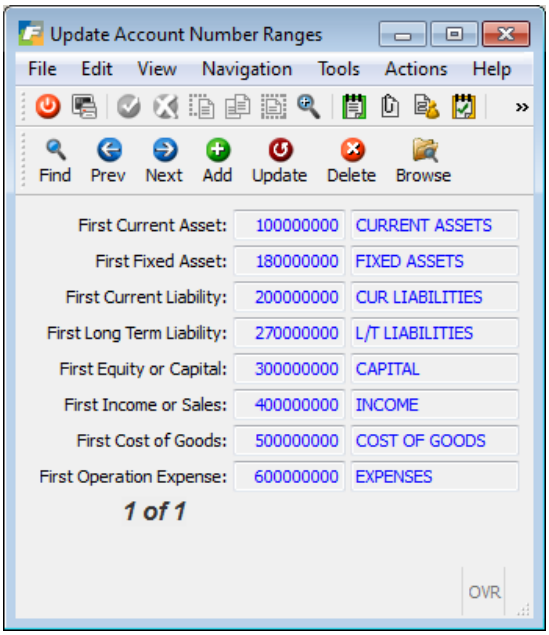
Print Company Information

This program prints a hardcopy of information entered under the Update Company Information option.

Account Number Ranges

The way that all the different types of accounts are identified to the programs is by account number ranges. After deciding upon a list of accounts, you need to assign a unique account number or "account code" to each account. In the Fitrix system, this "code" is a number that consists of up to nine digits. You assign these numbers so that the numbers of similar accounts all fall within the same numeric range.

The Account Number Ranges screen:



These ranges can be changed by the user, but types of accounts always fall in this order. For example, Fixed Assets accounts always start on the number after the last Current Assets account. You do not, of course, have to actually use this number, but the posting program recognizes it as that type. Fitrix comes with a default Chart of Accounts, which you can use as a guide for assigning your own account numbers. Once you have chosen the account numbers you want to use, you can change that default list by changing, adding, or deleting the accounts used.

Warning!

There is a direct connection between account number ranges and individual account numbers. The account number ranges should be set up prior to setting up individual accounts. When an account is set up, the program accesses the Account Range file to determine the type of account (more specifically, whether the account balance should be increased with a credit or debit). If you change the account ranges, you must update or delete the affected accounts in your Chart of Accounts, because the account type is determined when the account is created or updated.

Types of Ledger Accounts

Fitrix recognizes eight different types of ledger accounts. Five of these account types appear on the company's balance sheet and describe its net worth.

- **Current Assets** are liquid assets such as cash or Accounts Payable.
- **Fixed Assets** are property such as furniture and real estate.
- **Current Liabilities** are debts that must be paid in the short term such as payroll or accounts payable.
- **Long Term Liabilities** are debts that must be paid over a long period of time, such as mortgages or business loans.
- **Capital accounts** are those accounts that contain the value of your business, such as stock and retained earnings.

The next three types of accounts are those that appear on the income statement (or profit and loss statement) and describe how your company performed for a given period.

- **Income accounts** show the sources of your income.
- **Cost of Goods accounts** are expense accounts that show what you paid for your merchandise. They are also called "selling expenses" because they are directly tied to making sales.
- **Expense accounts**-categorize all of your other expenses such as rent, salaries, utilities, etc.

Print Account Number Ranges

This program prints a hardcopy of information entered under the Update Account Number Ranges menu option.

Ledger Accounts

The previous step created the ranges of account numbers that correspond to account types. At this point the individual ledger accounts comprising the Chart of Accounts must be entered into the **Ledger Accounts** table, using numbers defined by these ranges.

To view examples of ledger accounts, see the sample Chart of Accounts provided with the sample database (“sample company”).

The Ledger Accounts screen:

1. **Account Number:**

   Enter an account number of up to nine digits. The Type and Increase with Credit field are filled in by the system according to your predefined account number ranges.

2. **Description:**

   Enter up to 30 characters.

3. **Subtotal Group (optional):**

   Subtotal groups (optional) are assigned for a certain range of contiguous accounts for the purpose of creating a subtotal on reports. The description prints on the report along with the subtotal for the accounts.

4. **Increase with Credit:**

   The **Increase with Credit?** field displays a default of “Y” or “N” according to the standard method for increasing the balance of this type of account. For example, if the account number range for Income is 400000000 - 499999999, and the account number you type in is 410000000, when you press [ENTER] the default of “Y” for Income accounts—balance increases with a credit—displays in the Increase with Credit? field.

If you are adding an account whose purpose is to offset other entries that fall within the same Type, change the default here to indicate that this account's balance will be increased with the opposite of the normal entry. For example, an account with a number of 420000000 for Returns and Allowances falls within the Income range of account numbers. However, the Increase with Credit? field for this account is set to "N" to define its balance as increasing with a debit.

5. **Allow Use in Manual Journal Entries:**

   If this value is set to N the user will not be allowed to use this account number in the Update Journal Entries program. There are some account numbers that have their GL balance maintained by the system (Example-Trade Accounts Receivable and Trade Accounts Payable) and therefore manual journal entries to these accounts should not be allowed.

Printing Ledger Accounts

This program prints a hardcopy of information entered under the Update Ledger Accounts menu option. This report should be checked to verify data-entry accuracy.

Chapter 5

Ledger Setup Menu

Ledger setup is performed once, prior to entering financial data. The following topics are covered:

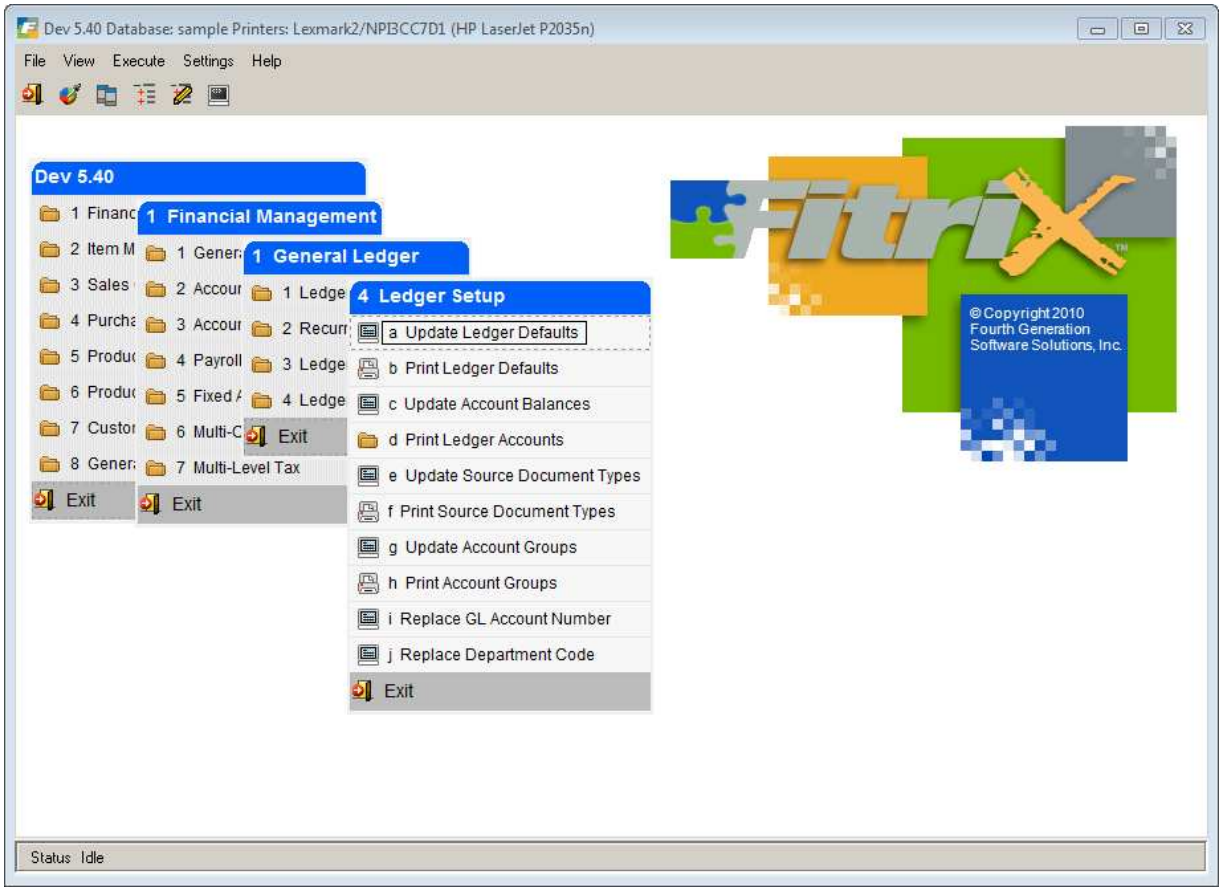
- Setting up Ledger Defaults
- Establishing Account Numbers and Balances
- Setting up Source Document Types and Account Groups

Ledger Setup Menu

The **Ledger Setup menu** contains options through which you set up your accounting periods. You also use it to specify the default settings for ledger accounts that determine how the system will recognize and process transactions involving those accounts.

Most setup options are run only once. They are used to set up your Chart of Accounts, account balances, company information as it is to appear on reports, and other such “reference” information.

The Ledger Setup Menu:



Ledger Defaults

Update Ledger Defaults

Use this program to specify accounting periods and the default retained earnings account, to choose direct debit/credit entry if desired and to complete the G/L setup.

Update Account Balances

Use this program to directly enter beginning balances for accounts *before* setup is complete. After setup, new accounts can be added, and subtotal codes and budget amounts updated.

Update Source Document Types (optional)

This program is used to create codes for sources of G/L transactions

Update Account Groups (optional)

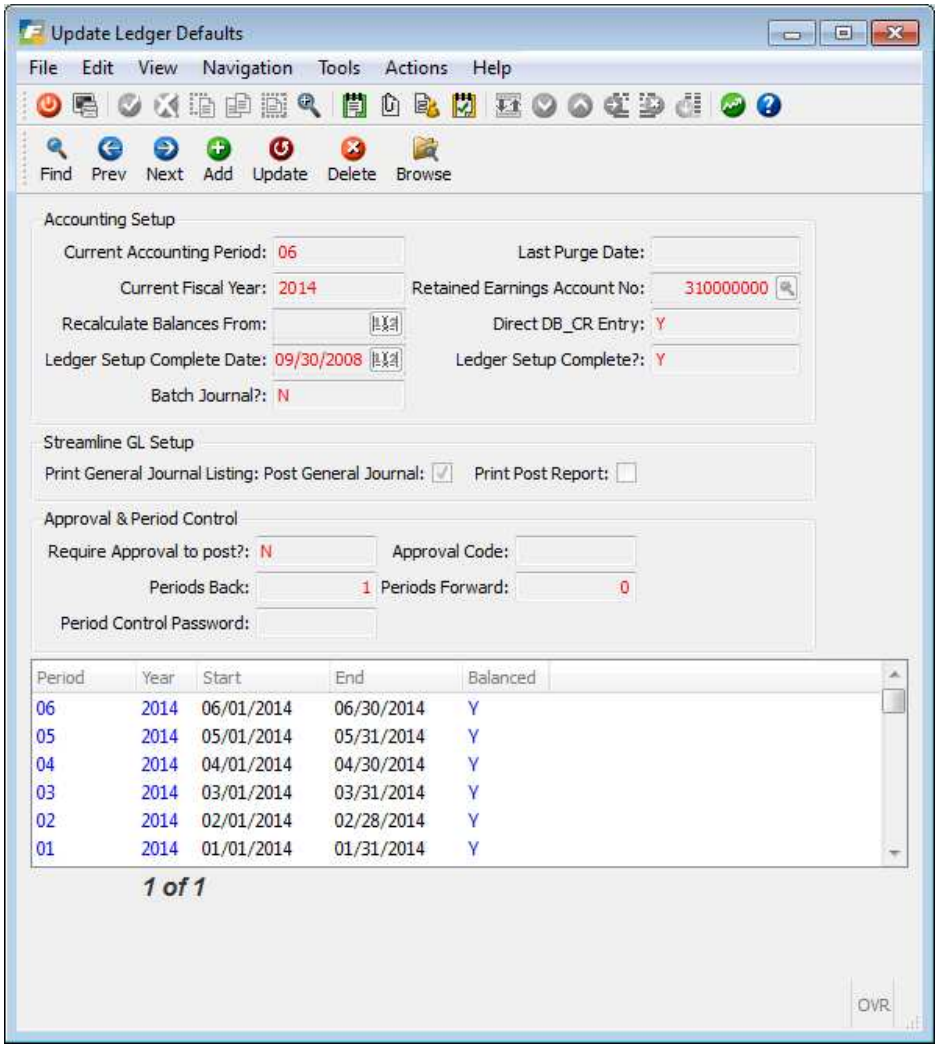
This option allows a single code assignment to multiple ledger accounts for quick selection and display as a set on data entry screens

Information Checklist for Ledger Defaults

- Define accounting periods and fiscal year numbering system
- Decide on your account number structure
- Determine a Setup Complete Date for your system

Setting up Ledger Defaults

The Ledger Defaults screen:



Ledger Defaults screen—header section

A fiscal year is divided into “accounting periods.” Accounting periods are usually months; however, Fitrix General Ledger is setup with the flexibility to allow for any length for an accounting period.

The Ledger Defaults screen has the following fields:

Current Accounting Period:

This numeric field stores a number representing the “current” period. The period that is established as the current period during setup will become the first period under G/L control.

Once setup is complete, transactions may be entered with document dates that correspond to this current period and subsequent periods. Those documents post to the G/L Activity file when the Post General Journal option is run.

When the Post G/L Activity to Ledger option is run, transactions with document dates prior to the current period post to the period corresponding to those dates, if that period is under G/L control. If it is not under G/L control, the transaction will post to the earliest period under G/L control.

Transactions with document dates later than the current period (future transactions) will not be selected for posting to the general ledger account balances (Post G/L Activity to Ledger) until the period that corresponds to the document date becomes the current period.

During setup, the current period on this screen should be set to reflect your position in the current fiscal year. The system then prompts for the start and end dates of the period you are defining.

Once setup is complete, the current period field is system-maintained. When you close out the current period, the Begin a New Period option (on the Ledger End of Period Menu) updates this field to the next period.

Current Fiscal Year:

This four-character alphanumeric field stores the current fiscal year. You must enter all four digits representing the year (i.e., enter 2012 not 12).

Retained Earnings Account No:

This is a nine-digit numeric field is used to store the default Retained Earnings account number.

Recalculate Balances From:

Every time the Post to GL program is run, the program goes back to the GL Set up Complete date and does a recalculation to verify there have been no postings to prior periods. Set this date if you want the date it goes back to be more current and therefore not take so long to process.

Direct DB/CR Entry:

This single-character field accepts an entry of Y or N. The entry controls the way in which journal entries are entered into the Update General Journal program (accessed through the Ledger Journal Menu).

If set to Y, the Update General Journal program requires the user to enter whether the amount should be a debit or credit. In other words, an understanding of debits and credits and the nature of the different types of ledger accounts is required.

If this field is set to N, the system automatically sets the debit/credit field to DB or CR based on the account type. This method does not require an understanding of debits and credits. If you want to switch a debit to a credit (or vice versa), the amount must be preceded by a "-" sign.

Even after setup is complete, the Direct DB/CR Entry field can be changed to suit your current needs.

Ledger Setup Complete Date:

This is a required field. This date has an effect only at the time that the G/L Setup Complete field is set to Y. It only has an affect if, prior to G/L setup being complete, transactions have been entered and posted to the G/L Activity file (from any module).

If any transactions have been posted to the G/L Activity file, at the time that G/L setup is set to complete the following processing occurs:

All those transactions residing in the G/L Activity file with document dates prior to the Ledger Setup Complete Date will be marked as posted. These transactions, however, will not be posted to ledger accounts when Post G/L Activity to Ledger is run because they are already reflected in your beginning balances.

Transactions with document dates later than the Ledger Setup Complete date will be marked as un-posted. These documents will post on subsequent runs of the Post G/L Activity to Ledger process, when their dates fall within the “current” period.

The following example demonstrates how this would work:

> You set up Fitrix Accounts Payable in July of 2011, and then install General Ledger in February of 2012. You want all Accounts Payable transactions that have been made on or after July 1, 2011, to be posted to your General Ledger Chart of Accounts.
>
> To do this you would set the Ledger Setup Complete Date field to 07/01/2011. The Ledger Setup Complete field would then be set to Y. When you run the Post G/L Activity to Ledger option, the Chart of Accounts balances would be recalculated to include all of the documents with document dates of July 1, 2011 or later.

Ledger Setup Complete?

This single-character alphanumeric field stores a value of "Y" (yes) or "N" (no). When the system is first installed, this field defaults to "N". After you have finished “setting up” your general ledger reference files and have entered and verified beginning balances for your ledger accounts, you return to the Ledger Defaults screen and change this field to Y. Then when you store this change the system automatically posts activity. ***Once set to Y, this field cannot be changed back to N*.**

Before the Ledger Setup Complete field is set to Y, all beginning balances must be verified. Use the Print Trial Balance option to verify that the ledger accounts are in balance prior to setting this field to Y. Beginning balances cannot be modified once setup is complete.

- How an account is credited/debited cannot be changed (increased with a credit or a debit), after the field is set to "Y".
- Prior to G/L setup being complete, the Post G/L Activity to Ledger option cannot be run (ledger account balances cannot be updated).

Batch Journal

Enter "Y" if batches will be used when entering journal entries.

Streamline GL Setup

If the Post General Journal box is checked, journal entries will post immediately after the edit report has been run. If the Print Post Report box is checked a posting report will also print.

Require **Approval**

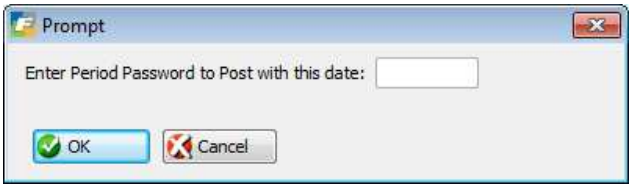
Enter a "Y" if approval is required to post journal entry batches.

Approval code

Enter password required to approve journal entry batches for posting.

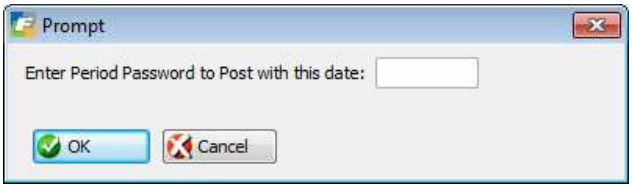
Periods Back

Enter the number of periods back from current period that the user can post to. If you try and enter a transaction with date further back than the period allowed this message will display:



Periods Forward

Enter the number of periods forward from the current period that the user can post to. If you try and enter a transaction with future date further ahead than the period allowed this message will display:



Control Password

Enter the password the user must enter if trying to enter a transaction into a period outside of the periods back and periods forward range.

Ledger Defaults screen—Period Maintenance section

The lower section of the screen stores information concerning accounting period history. Click on Detail to move to this section. Once a period is under the control of the G/L, data for that period cannot be updated.

Period:

This column consists of two parts: the period number and the period year. The former accepts a two-digit entry, while the latter accepts a four-digit entry. Together, they constitute the accounting period.

Start and End Date of Period:

The next two fields establish the date parameters for the accounting period. The system defaults to monthly periods.

Balanced (G/L Controlled):

This is a system-maintained field whose entry (Y or N) indicates whether a given period is under the control of the general ledger system.

When the Ledger Setup Complete field is changed to Y, the current period is placed under the control of the general ledger. Once a period has come under G/L control, it continues to be under G/L control even when it is superseded by a new current period.

Periods that precede the date of installation of the module and periods in the future (relative to the “current” period) are by definition not under the control of G/L. However, information in such periods may still be used for budgets and comparative analysis. When first entering accounting periods, the G/L Controlled field always de-

faults to N and cannot be manually overridden. When the Ledger Setup Complete field is changed to Y, the G/L Controlled field for the current period automatically changes to Y.

Thereafter, subsequent "current" periods are automatically placed under the control of the general ledger when each such period begins. *Once this field is set to Y, account balances cannot be directly adjusted in the Chart of Accounts*. They must be adjusted through standard transaction entries in the general ledger.

Important:

Though specifying start dates and end dates for accounting periods other than the current accounting period is not required, you may want to specify the dates for such periods for the following reasons:

1. First, you may want to enter accounting data from previous periods.This may also be applicable if you had other Fitrix modules set up, such as Accounts Payable or Accounts Receivable, prior to installing General Ledger.

2. A second reason is that you may want to define accounting periods that do not correspond to calendar months (the system defaults to calendar months).

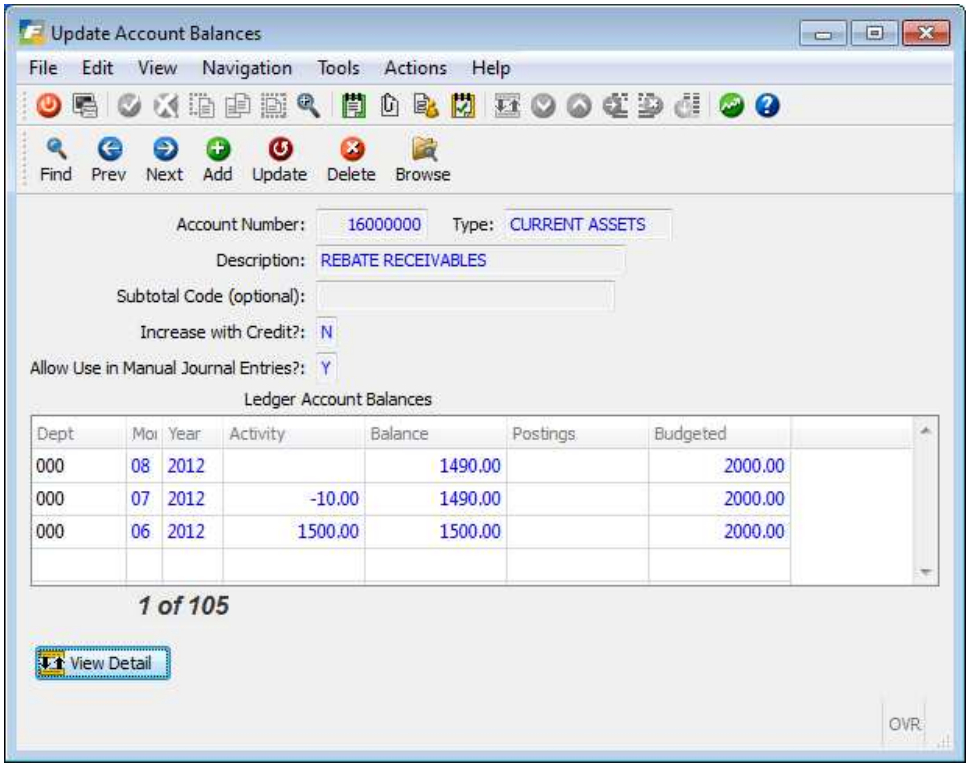
Print Ledger Defaults

This menu item prints a report detailing the information currently stored in the Ledger Defaults program. This report can be used to verify data-entry accuracy.

Update Account Balances

Update Account Balances allows you set up and maintain the Ledger Accounts (also referred to as the Chart of Accounts). After selecting this option, the Ledger Accounts screen is displayed.

The Ledger Accounts screen:



Creating a Chart of Accounts is an important step in setting up the General Ledger system. Once setup has been completed, access to the chart through Update Ledger Accounts allows you to add new accounts and correct their descriptions, but you cannot modify account balances. You cannot delete any account to which activity has been posted.

The *only* time you can add to or change account balances or delete accounts that have had a balance entered is during setup, through the Ledger Setup Menu. After you have started using your ledger, you cannot manually adjust account balances, nor can you delete an account that has had any amount posted to it. The option to manually adjust balances and to delete accounts with a balance is provided only for setup purposes (so that you can more easily build your chart when first setting up the system).

Print Ledger Accounts

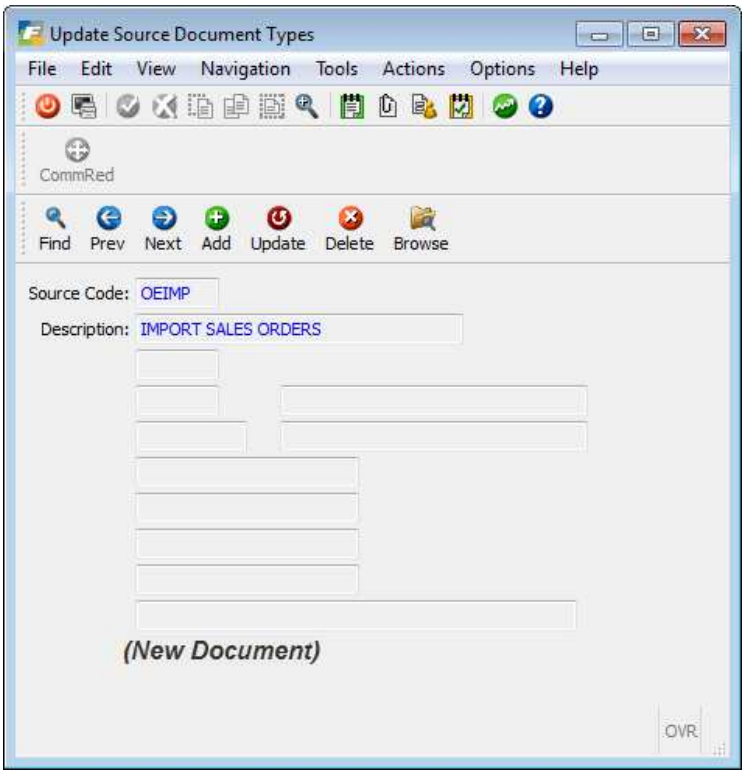
You can either print a listing of account numbers or account numbers with balances.

Update Source Document Types (optional)

This program stores source document type codes and their descriptions. These source type codes are only used when entering general journal documents and use of them is optional. Fitrix posting programs automatically assign the following source codes to posted transaction and these source codes print on the GL activity report to identify which module generated the transaction.

AR Invoice	AR
AR Cash Receipt	CR
AP Invoice	AP
AP Disbursement	CD
Fixed Assets	FA
IC Transactions	IC
Journal Entry	GJ
OE invoice	SH
Payroll	PY
PO Receipt	PR
PO post to AP	PU
Production Work Order	SC

If you are entering journal entries for transactions processed outside of Fitrix, you may want to use a source code to identify where the transaction originated.



Source Code:

This six-character alphanumeric field stores the unique type code that identifies a particular source document type.

Description:

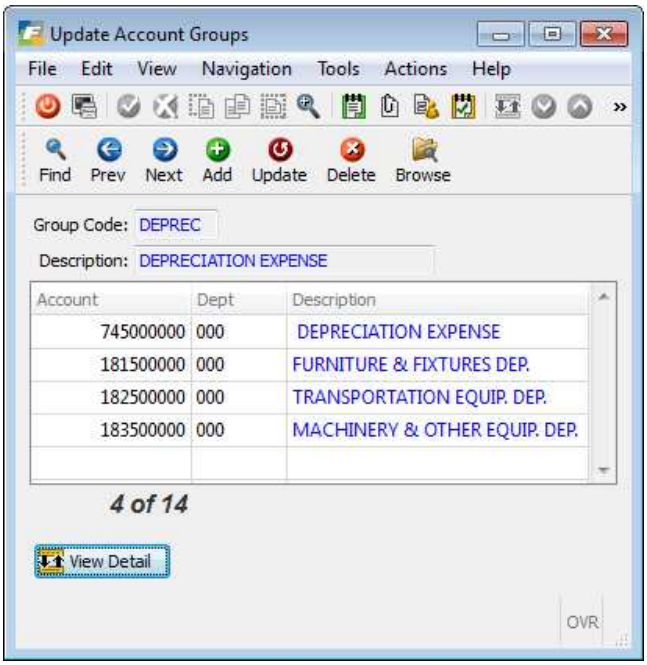
This thirty-character alphanumeric field stores a description of a particular source document type.

Print Source Document Types

This program produces a hardcopy list of source document types.

Update Account Groups (optional)

This program allows you to create and maintain Account Groups. An account group consists of an account group code and one or more ledger accounts associated with that code. The use of account groups simplifies the entry of transactions into the general ledger by providing a "shorthand" way of specifying the set of ledger accounts that will be affected by a given transaction. For example when entering a journal entry for monthly depreciation and you enter the account group DEPREC, the detail section of the screen will be automatically populated with all the account numbers associated with the group code.



Account Groups screen—header section

The header section stores basic information about an account group.

Group Code:

This is a six-character alphanumeric field which stores the code that identifies a particular account group.

Description:

This thirty-character alphanumeric field stores the description of a particular account group.

Account Groups screen—detail section

The detail section contains the ledger account numbers that are associated with an account group.

Account:

This nine-digit numeric field stores the ledger account numbers that are associated with a particular account group code. You may include up to 100 ledger accounts in each account group. All accounts entered must have been previously set up through the Update Account Balances option on the Ledger Setup Menu. The Zoom feature is available.

Dept.:

This three-character alphanumeric column stores an optional department code. This column defaults to 000. The Zoom feature is available.

Description:

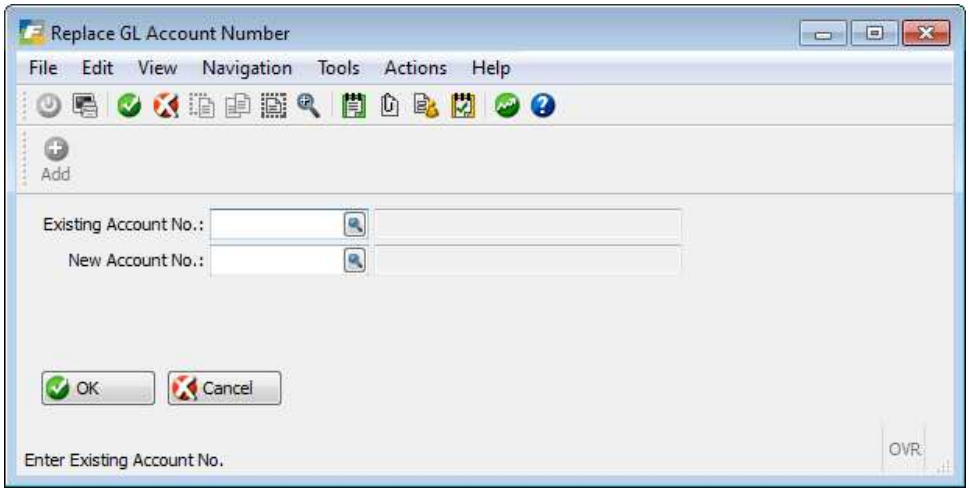
Upon entering a valid account number, its description is displayed in this column. This description is automatically retrieved from the Ledger Accounts table. This is a display-only field.

Print Account Groups

This program produces a hardcopy list of account groups, organized by account group code. The report includes account group codes, descriptions for each code, and the ledger accounts associated with each particular code.

Replace GL Account Number

Use this program if you need to replace a GL account number with a new account number.



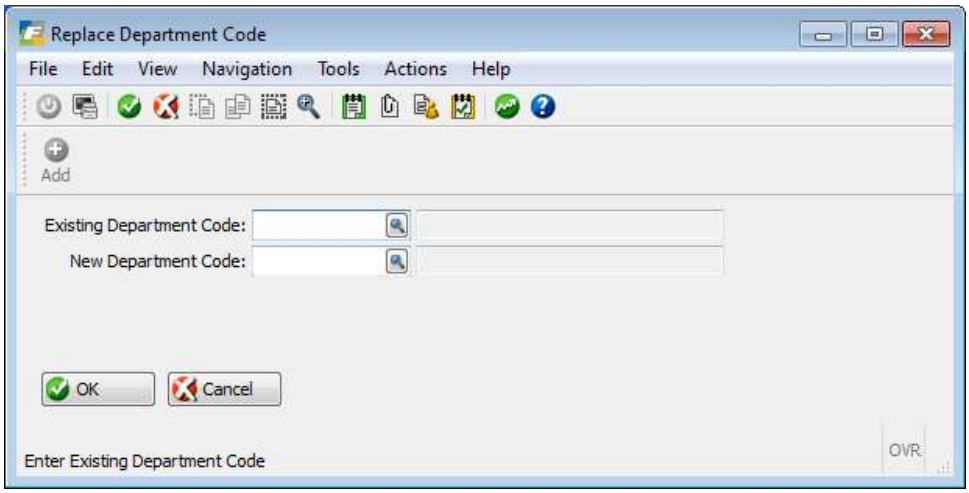
Existing Account No – enter the account number you want to replace. You can then zoom by clicking on the spy glass or pressing Ctrl Z to view transactions this account number was used in to verify you are replacing the correct account number.

New Account No – enter the account number it is to be replaced with.

Once you save the transaction the program will find and replace the account number in every table in the database. You will then be prompted as to whether you want to delete the existing account number from your chart of accounts so it can no longer be used.

Replace Department Code

Use this program if you need to replace a department code with a new department.



Existing Department Code – enter the department you want to replace. You can then zoom by clicking on the spy glass or pressing Ctrl Z to view transactions this department was used in to verify you are replacing the correct department.

New Department Code – enter the department it is to be replaced with.

Once you save the transaction the program will find and replace the department in every table in the database. You will then be prompted as to whether you want to delete the existing department so it can no longer be used.

Chapter 6

Completing G/L Setup

The following sections cover key concepts involved in completing G/L setup:

- Understanding Controlled Periods
- Understanding Setup Complete Date and Current Period
- Posting Routines

Information Checklist for Setup Complete

- Determine number of digits to be used for account numbers.
- Set up account number ranges according to account types (order of types cannot be changed - see the Update Account Number Ranges program on the Company Setup menu.).
- Set up ledger account numbering to correspond to account types.
- Enter basic ledger accounts (at least one account- the Retained Earnings Account must be specified in order for Setup Complete to be valid): additional accounts can be added later.
- Enter beginning balances for all existing accounts.
- Use Print Trial Balance option to confirm initial balances and see that G/L debits and credits balance.
- Determine system of periods (monthly, quarterly, by specified dates).
- Specify first current period specified (start and end date).
- Determine earliest date for G/L Control (earlier transactions cannot be posted to ledger accounts); this date will be the Setup Complete Date .

Note

When you change the value of the Ledger Setup Complete field from N to Y (on the Ledger Defaults screen), and store the information, this value *cannot be changed*. Your G/L setup becomes "locked in." At this time, the beginning balances you have set up for ledger accounts post to those accounts. These postings appear on reports as taking place in the period you have designated as the initial "current period."

Understanding “G/L Controlled” Periods

A G/L controlled period is one for which ledger account balances can be changed by posting transactions whose document dates fall within it.

The system must be able to ascertain whether a period is under G/L control when recalculating the current balance of a given account, in order to properly include or ignore amounts for that period in making the calculation.

In Fitrix General Ledger, some periods defined on the system never come under G/L control, while others not initially under G/L control come under it eventually.

The following section describes the possible states of G/L control for different kinds of periods.

Periods not Under G/L Control

1. **All periods—before setup is complete.**

   Before setup is complete, no period is under G/L control; no transactions will post to ledger accounts.

2. **Periods ending before earliest G/L-controlled date (Setup Complete Date).**

   Account balances that are entered for periods prior to the Setup Complete Date, which defines the earliest date of G/L control, cannot be updated by posting transactions.

   Because it cannot be changed, such pre-Setup data is typically added to G/L records only for purposes of historical/comparative reporting.

3. **Future periods—dates later than end of current period.**

   Although transactions can be posted to the General Journal for future periods, these transactions cannot affect ledger account balances until the period to which they refer becomes the current period.

Periods under G/L Control

1. **First current period.**

   Once setup is complete, a minimum of one period is under G/L control: the current period (as defined by period number and year on the Ledger Defaults form). This is the period to which beginning balances for ledger accounts are posted when setup is declared complete.

2. **Subsequent “current periods.”**

   Each time you complete the current period, you open a new period (using the Begin a New Period option). Each new “current” period created comes into being “under G/L control. “

3. **Previous “current periods.”**

   In Fitrix General Ledger, any period that was once the “current” period *remain*s under G/L control permanently. Any period that has ever been the current period can still have transactions posted to it that will affect ledger account balances.

Understanding “Setup Complete Date”

The Ledger Setup Complete Date you specify determines the earliest point at which transaction data can become part of ledger account balances through the posting process.

If you have been using other Fitrix modules on your system, data has been added to the activity tables every time you posted from these modules. Without Fitrix General Ledger, these activity tables function only to create reports showing how you should adjust your ledger accounts to account for the effects of these transactions.

Once Fitrix General Ledger is installed, you have the option of posting a specified amount of this pre-existing activity to ledger accounts. You do this by setting the Ledger Setup Complete Date to include all periods for which you wish to post activity from other modules to your General Ledger. Once your G/L setup is complete, running the Post G/L Activity to Ledger option posts these transactions to your first current period.

For example, if you installed Fitrix General Ledger on March 1st, you might want to set your Setup Complete Date to January 1st so that your General Ledger would reflect all activity generated by other modules since the beginning of the year.

Understanding G/L's "Current Period"

In order to set up your accounting cycle, you must define one period as the current period. This is done by entering the period number and year in the Current Accounting Period and Current Fiscal Year fields on the Ledger Defaults screen.

The current period is the one that becomes the sole "open" period to which postings can be made when setup is first declared complete. In our terminology, it is the first period to come under G/L control.

How Completing the Setup Affects the G/L System

The following sections summarize the status of the G/L system before and after the setup is declared complete. Note that some settings can be modified at any time, regardless of whether setup is complete.

Status of G/L System before Setup is Declared Complete

- Ledger account balances can be modified directly.
- Ledger accounts can be deleted.
- You can change the value in the Increase with Credit? field (determining whether the account is regular or contra type).
- No period is under G/L control (the value in the G/L Controlled field on the Ledger Defaults form is N for all defined periods).
- Transactions cannot be posted from G/L Activity tables to ledger accounts.

What Takes Place When Setup Complete Is Declared

When setup is declared complete, transactions in activity tables are marked as either posted or un-posted, according to their dates.

Documents whose dates fall on or after the Setup Complete Date will be marked by the system as **not posted**. Like newly entered transaction documents, they will post to ledger accounts when the Post G/L Activity to Ledger option (3-b) is run from the Ledger End of Period menu.

Documents whose dates fall before the Setup Complete Date will be marked by the system as **posted**. This marking causes the system to disregard them when the Post G/L Activity to Ledger option is run. In effect they are permanently “disqualified” from posting to ledger accounts.

Permanent Effects of Declaring Setup Complete

- The Setup Complete Date cannot be changed.
- Activity and balances can no longer be directly modified using the Update Account Balances option. Ledger account balances can be modified only by entering and posting transactions.
- Ledger accounts can be deleted only if there is no activity associated with the account.
- The Increase with Credit field (on the Ledger Defaults screen cannot be modified. In other words, contra accounts (whose entry for this field is the opposite of the default value for its account type) cannot be changed into “normal” accounts, nor can existing accounts be turned into contra-type accounts at this point.
- For the “current period” specified on the Ledger Default form, the value in the G/L Controlled field on this screen changes from N to Y.
- Transactions in the G/L Activity tables can be posted to ledger accounts.

Modifiable Aspects of G/L Setup Data

- New ledger accounts can be added at any time.
- Start and end dates of new periods can be modified.
- Source Document types can be added at any time.
- Account Groups can be added at any time.
- New Department codes can be added at any time.
- Subtotal Groups can be added or modified (using the Update Ledger Accounts program) at any time.

Understanding Entries and Postings

Two Phase Posting

It is important to realize that in Fitrix General Ledger posting consists of two distinct phases:

Phase 1 Posting

Posting of entries made through the Update General Journal program to the G/L activity tables (using the Post General Journal option).

Phase 2 Posting

Posting of activity to ledger account balances (using the Post G/L Activity to Ledger option). This phase of posting occurs only in the G/L module.

Posting in Fitrix General Ledger is done in two phases in order to match the structure of other Fitrix modules. These modules are designed so that they can be used for accounting purposes without having Fitrix General Ledger installed alongside them.

Postings in these standalone modules, however, are of the first type only—posting to G/L activity tables, which are part of every module. The information contained in reports generated from a module's G/L activity tables indicates how the posted transactions are intended to affect ledger accounts, but such postings cannot affect ledger account balances directly.

When Fitrix General Ledger is installed, it has access to the same set of activity tables. It can gather transactions from all the sources that post transactions to the activity tables, post this information directly to ledger accounts, and use it to recalculate current account balances.

Entries to the General Journal are treated like transactions from any other Fitrix module. In the first phase, entries are posted to the activity tables used by all modules. In the second phase, after an edit list is run, the activity resulting from these entries is posted from the activity tables to the ledger account's balance.

Note

Before you run financial reports of any kind, *both* phases of posting must be completed. This ensures that all transactions currently on the system are accurately reflected in the account balances.

Posting to Prior Periods

Posting to a prior period is allowed if the period is under G/L control. Once a period has come under G/L control (by becoming the system's "current" period) it remains under G/L control. That is, it remains accessible to postings that will affect ledger account balances.

Note

If you post documents into a prior period that is not under G/L control, the document will post to the first period under G/L control. This is essentially what occurs if, during setup, you assign a Setup Complete Date for your system that is earlier than the designated start date for your first "current" period.

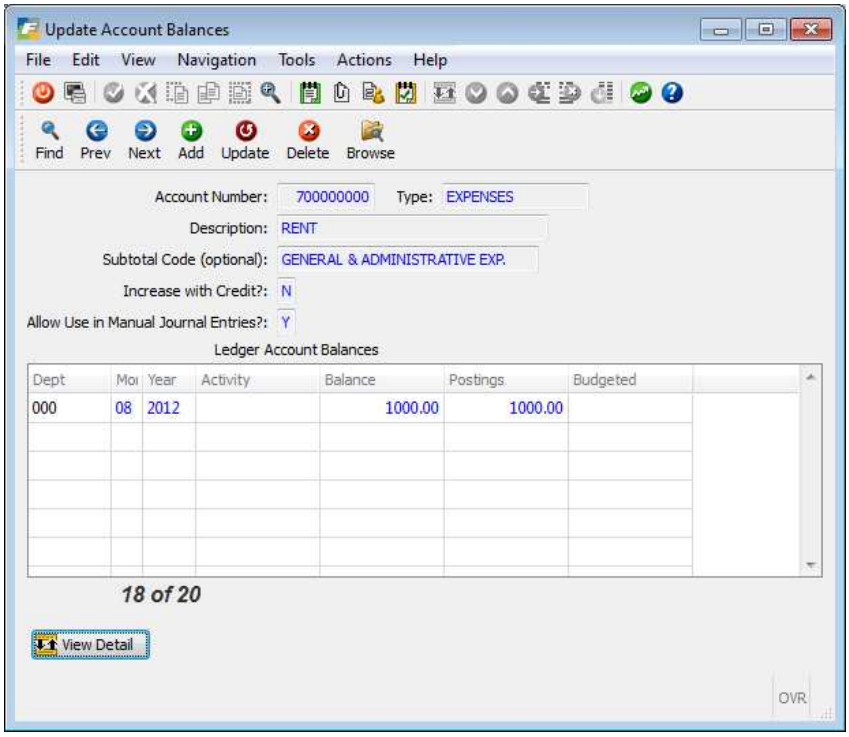
Note

Transactions whose document dates fall within the interval between these dates are essentially transactions that pertain to periods not under G/L control, and the way the system handles them is to post them to the first "current" period (the earliest period under G/L control) when setup is declared complete.

Results of Posting

When a posting is made, this amount is added to the **This Period Postings** column for that period. Each time the Begin a New Period program is run, any amounts in This Period Postings columns are reset to zero and the amounts are transferred (added) to the amounts in the Activity column for the period.

In the example shown here, when period 09 is opened the amount in the posting column will transfer to the Activity column.



Results of Posting to a Prior Year

Posting is also allowed to G/L controlled periods in a prior year. This allows you, for instance, to begin a new accounting year and later make adjusting entries to the prior year. Financial reports can be run for any period at any time and will accurately report the year-end account balances updated by such postings.

If a transaction is posted to a period that belongs to a prior fiscal year, and affects revenue or expense accounts, a special transaction is created to ensure that the next fiscal year still effectively begins with zero balances in these accounts.

To accomplish this, the system creates a transaction in the G/L activity tables that reverses the effects on the revenue and expense accounts. This is balanced with a corresponding transaction to the default Retained Earnings account. When posting of G/L activity occurs, this automatically generated transaction will register as a posting to the Retained Earnings account for period 00 of the following fiscal year.

Posting to Future Periods

Posting to future periods is allowed, but ledger account balances are not affected immediately by such a posting.

When entries are made with document dates that refer to future periods, only the first phase of posting is allowed, creating activity in the G/L activity tables. The system prevents this activity from affecting ledger accounts until the period becomes the current period (and thereby comes under G/L control).

The first time the Post G/L Activity to Ledger option is run in that new "current period," the transactions in the activity tables marked for that period will post to ledger accounts and the account balances will be updated.

End of Period Posting

When a new period becomes the "current" period as a result of running the Begin a New Period option (3-h), the amount in the **This Period Postings** column on the **Ledger Account Balances screen**, showing the accumulated total of postings throughout the period, is transferred to the **Activity** column to represent the total activity for the period just ended. The This Period Postings column is reset to zero when this option is run.

While the period is current, the amount in the **Balance** column shows the *current balance* for the account. After the new period begins, this amount represents the *ending balance* for the account.

Entering Budget Amounts

Using the Update Account Balances program, you can enter budget amounts for any ledger account at any time. This information is for reference purposes only and does not enter into calculations of any kind.

Entering Beginning Account Balances

Direct entry of ledger account balances using the Update Account Balances program is allowed *only before G/L setup is declared complete*. Once setup is complete all account balances are maintained by the system in response to postings from G/L activity and the Balances field on the Ledger Accounts form cannot be entered.

Results of Posting Activity

The following discussion shows the columns that appear on the Ledger Account Balances screen, and the way the amounts change as a result of postings and the creation of new periods.

Note

The last row on each of the tables shown here indicates the current information (after the posting has occurred) that will be displayed on the Ledger Account Balances screen. The previous row indicates the state of the information before the posting occurs.

The first table shows an account that has been created with a beginning balance and activity of zero. In the course of period 1, This Period postings add a total of 100 dollars, resulting in a current Balance of 100 dollars.

Period	Activity	Balance	This Period Postings
1	0	100	100

When the Begin a New Period option is run to begin period 2, the amount from the This Period Postings column is transferred into the Activity column and This Period Postings amount goes to zero.

Period	Activity	Balance	This Period Postings
1	0	100	100
1 (end of period)	100	100	0

When the new period is added to the table, the resulting beginning balance for period 2 is 100 dollars, as shown. Activity for the new period is zero.

Period	Activity	Balance	This Period Postings
1 (past period)	100	100	0
2 (new period)	0	100	0

With the addition of a regular posting of 50 dollars in period 2, the account balance is updated, and the result is as shown:

Period	Activity	Balance	This Period Postings
1 (past period)	100	100	0
2 (beginning)	0	100	0
2 (1st posting)	0	150	50

Now, if a posting of 25 dollars is made to a date that falls in the previous period while the *current* period is period 2, the effect will be shown in the row for period 1—by increasing both the This Period Postings column and the Balance column by 25 dollars.

Period	Activity	Balance	This Period Postings
1 (past period)	100	125	25
2 (current period)	0	175	50

The system also recalculates the current balance for the account due to the posting: the Balance in period 2 changes to 175.

The last type of change shown in these columns occurs when the Begin a New Period option is run.

The information displayed in the This Period Postings column for amounts posted to previous periods is not retained when you initiate a new period.

As was the case earlier in this example (when period 1 ended and period 2 began), when a third period is begun, the amount in the This Period Postings column for period 1 (and for period 2) is added to the Activity amount for the period and the This Period Postings column is reset to zero.

Period	Activity	Balance	This Period Postings
1 (past period)	125	125	0
2 (old current period)	50	175	o
3 (new current period)	0	175	0

The amounts appearing in the This Period Postings column allow you to track postings to periods that are no longer the current period.

Chapter 7

Ledger Journal Menu

- Document Entry Steps
- General Journal Documents
- Posting
- Reversing Entries
- Report Generation (printing)

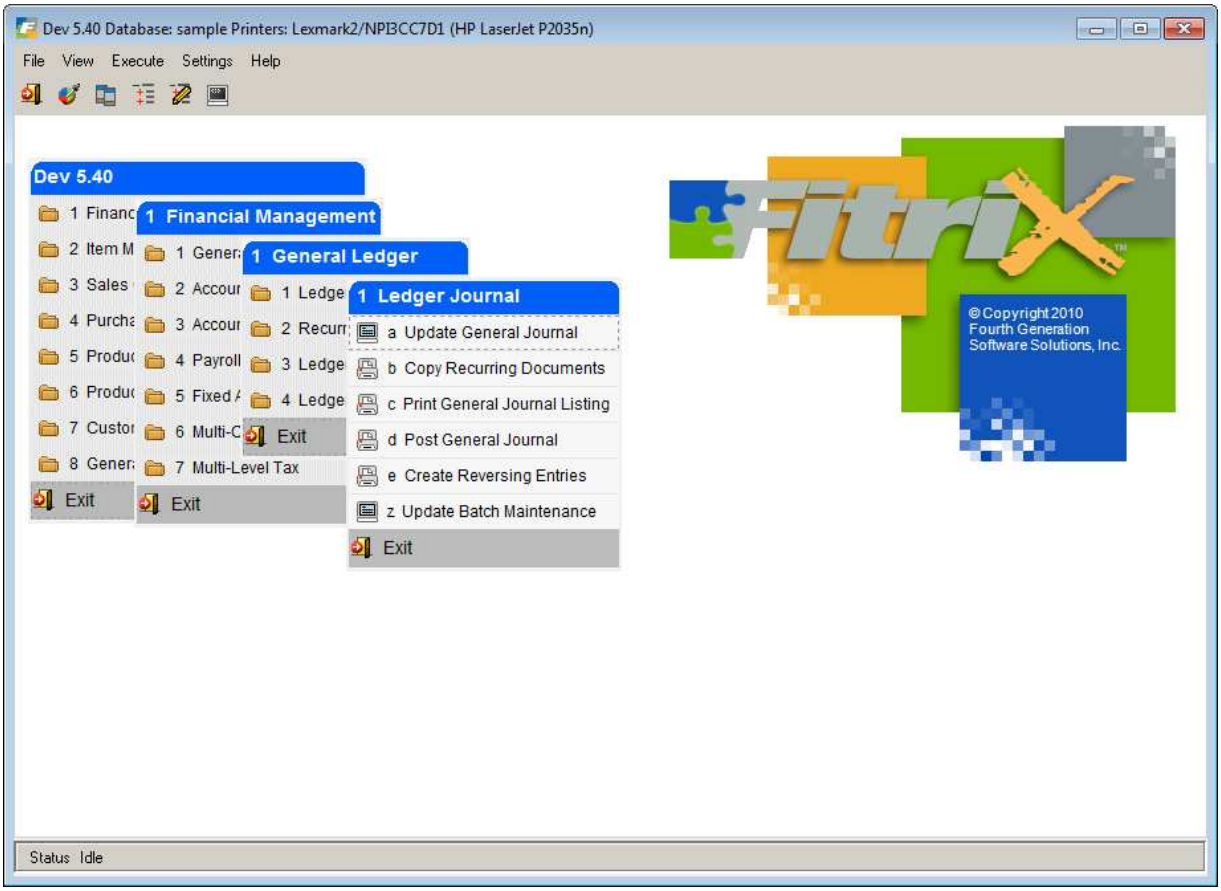
Document Entry and Posting Options

The G/L system serves a dual function: It is used to create and process its own series of transactions, and also to process and report on transactions drawn from all other sources of accounting information on your system.

The General Journal is the central location for the first phase of G/L transaction processing document entry and review. Options on the Ledger Journal menu allow you to enter, update, print, and post (Phase 1 posting—to G/L activity tables) entries made through the General Journal.

As it gathers transactions from all sources, Fitrix General Ledger adds transactions entered through its own General Journal to the same flow.

The Ledger Journal submenu:



Menu options for document entry and posting:

- **Update General Journal (1-a)** accesses the General Journal screen program for document entry and updating.
- **Copy Recurring Documents (1-b)** loads pre-selected recurring documents into the General Journal. Though it may be run at any time, this option is typically run only once per period.

- **Print General Journal Listing (1-c)** allows you to print an edit list of all un-posted General Journal documents. This option must be run at least once for new General Journal documents before the system will allow them to be posted.
- **Post General Journal (1-d)** posts all documents in the General Journal for the current period to the G/L activity tables. It prints a report detailing.
- **Create Reversing Entries- (1-e)** creates reversing entries for any journal entry entered with EOP Reverse Y/N field set to Y.
- **Update Batch Maintenance (1-z)** please refer to the Chapter on Batch Maintenance Control in the *Getting Started with Fitrix* manual for information on this program.

Information Checklist for Transaction Processing

- Gather documents to be entered for business transactions or accruals.
- Note recurring documents (if any) to be created and updated to record current transactions.
- After making entries, print edit list and review data.
- Post documents to G/L activity tables.
- Print listing of system-wide G/L activity for review (optional).
- Post G/L activity to ledger accounts.
- Print reports on updated financial information.

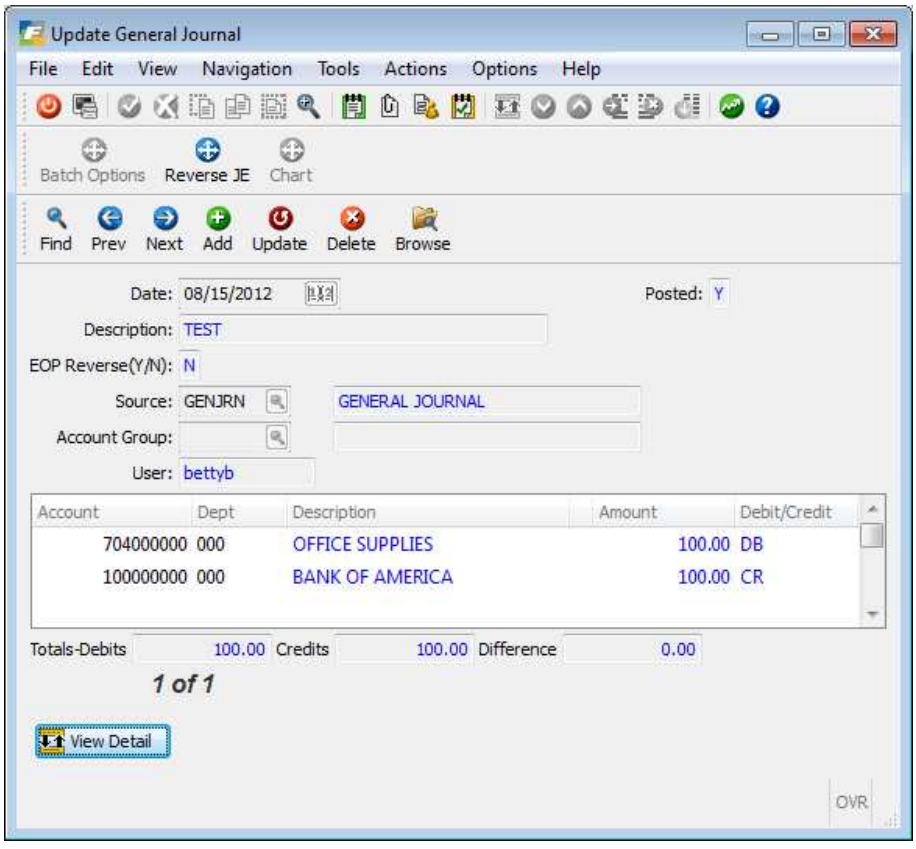
General Journal Documents

In its most basic form, a General Journal document consists of a transaction's date and description, the ledger accounts affected by the transaction, and how the amounts involved in the transaction translate into debits and credits.

Note

In Fitrix General Ledger the total debits and total credits for the transaction must balance before the document can be stored. The **General Journal** screen is the primary data entry screen used in Fitrix General Ledger. The following sections show you how to use it to add or modify General Journal documents.

To access the screen select the Update General Journal option (1-a) from the Ledger Journal menu.



General Journal screen—header section

The header section of the form contains general information about a document.

Date:

This will default to today's system date. If a date is entered that is outside the current period, a warning is displayed. Pressing [TAB] erases the warning, allowing processing to continue.

It is possible to enter a date for a future or past period. If you enter a date in a previous period, during posting this transaction will post to the previous period. This will have an effect on various financial reports; these reports should be re-run for that previous period and all other periods up to the present.

If a document is entered whose date falls in a period prior to the first period under G/L control, when the Post G/L Activity to Ledger option is run this document will post to the earliest period that *is* under G/L control (that is, to the earliest period that has ever been the "current" period).

If a document is entered with a future period date, running the Post G/L Activity to Ledger option will *not* post that document until the future period has become the current period.

Documents entered with future period dates are held in activity tables until the future period becomes the current period. The document is then posted to the appropriate ledger account balances.

Posted:

Stores a Y or an N indicating whether the document has been posted.

Description:

Stores a thirty-character description of the document and this description prints on the GL Activity report.

EOP Reverse:

Single-character field which accepts a value of either Y (yes) or N (no). The default for this field is N (no). A document stored with a value of Y in this field is treated the same as any other document, with one exception.

When beginning a new period, the system searches for all documents with the EOP Reverse field set to "Y" in the period being closed out. The system then creates one document for each document found. The newly created document has debit and credit postings to the accounts involved in the original transaction *exactly reversed* from those on the original document.

For example, if the original transaction involved a debit to Cash of $100.00, and a credit to Accounts Receivable of $50.00 and a credit to Freight Revenue of $50.00 each, the reversing document in the new period would have a credit to Cash of $100.00 and debits to Accounts Receivable and Freight Revenue of $50.00 each.

Source:

Six-character alphanumeric field. The code entered here represents the originating journal of this document (accounts receivable, accounts payable, etc.). Defaults to GENJRN (General Journal). The code entered must have been previously been set up with the Update Source Document program.

Source Description:

Upon entering a valid source document code in the Source field, the system displays its description in an unlabeled field to the right of the source code. This description is automatically retrieved from the Source Document table. If no source entered, it will default to GENJRN (general journal).

Account Group:

When entering a document, the account group entry calls up a specific set of accounts into the detail section of the screen. You may then select only those accounts needed for this transaction. An account group must have been previously set up using the Update Account Groups program on the Ledger Setup Menu.

Account Group Description:

After entering a valid account group, its description is displayed adjacent to the Account Group field. This description is automatically retrieved from the Account Groups table.

General Journal screen—detail section

Pressing Ctrl TAB, or clicking Details, moves the cursor to the detail section of the screen. This section is where you enter the account numbers and amounts. A general journal document cannot be stored (and therefore posted) unless it contains detail section data.

Account:

Nine digit numeric field. Stores the ledger accounts affected by this transaction. All account numbers must have previously been setup in the Update Account Balances program on the Ledger Setup Menu. The Zoom feature is available.

Dept.:

Optional three-character alphanumeric field. Defaults to 000. Stores a department code if you are assigning your expenses and income to departments. Codes must have previously been set up in the Update Company Information program found on the Ledger Setup Menu. The Zoom feature is available.

Description:

Thirty-character alphanumeric field. Upon entering a valid ledger account in the Account column, its description is displayed. This description is retrieved from the Ledger Account table. This is a display only field.

Amount:

Stores the amount of the transaction to be posted to the account on the current line.

Credit/Debit:

The first column under this heading is a numeric field which stores the amount being credited or debited. To the right of the amount is an entry of CR or DB, indicating whether the amount is a credit or debit, respectively. Both columns are system-maintained. Whether a ledger account is increased with a debit or a credit is estab-

lished when you set up the Ledger Account information, and the computer consults that table to determine which value—a CR or a DB—to place in this field.

General Journal screen—totals section

This section of the form is system-maintained.

Totals-Debits:

Displays the total amount of debit postings for the current document.

Credits:

Displays the total amount of credit postings for the current document.

Difference:

Displays a value if the debits and credits are out of balance (if debit and credit totals are different). The General Ledger module will not allow the storage of documents that have a nonzero value in this field.

Printing General Journal Documents

After creating journal documents and copying recurring documents, the next step is to print a listing of these documents. This option selects all un-posted documents in the general journal and prints out a listing of those documents.

The Print General Journal Listing option must be run prior to posting.

Post General Journal

Prior to posting, you must run the Print General Journal Listing option. Any errors discovered in a journal document may be corrected using the Update General Journal option. Once the document is posted, a new journal document must be created to correct an error.

Posting the General Journal updates the G/L Activity file. Account balances are not updated until the Post G/L Activity to Ledger option on the Ledger End of Period Menu is run. The Post General Journal option is duplicated for your convenience on the Ledger End of Period Menu.

Posting Documents to G/L Activity (Phase 1 Posting)

Each time you enter new documents or modify existing documents, Fitrix General Ledger requires you to print an **edit list.** The purpose of the edit list is to provide a means of checking the accuracy of entries and changes before the documents are posted.

The edit list can also be printed out to serve as a permanent record of all the details of the transaction. Once you have run an edit list for the documents entered or modified, and you are satisfied that the data entered is valid, the first phase of posting can begin.

Running the posting option not only posts the documents but also prints a report. Messages on the report notify you of any problems that occurred if posting of all documents was not successful.

Create Reversing Entries

The Begin New Period program runs a sub program that finds all journal entries that are designated EOP = Y and reverses them. However this can create a timing issue. For example, let's say you've opened up the period 01 but you have not yet closed out period 12 and you need to enter accrual journal entries in period 12 that should automatically reverse in period 01. Because you have already opened period 01 these entries will not reverse until you open period 02. By having the Create Reversing Journal Entries programs as a separate menu option, you can reverse entries without opening yet another period. The program looks at all EOP = Y journal entries that have not yet been reversed and reverses them if the current period is after the period the original journal entry was posted to. Using our example above it would reverse all period 12 reversing journal entries into period 01 when run.

Once this program is run and the reversing journal entries have been created you will need to run the Print General Journal Listing and Post General Journal programs.

Update Batch Maintenance

Please refer to the Batch Maintenance Control chapter in the *Getting Started with Fitrix* manual for information on this program.

Summary of Transaction Processing Cycle

The basic transaction processing cycle described above takes place one or more times in each accounting period.

- Enter documents to record transactions
- Print edit lists to check data
- Post documents to G/L activity tables
- Print G/L activity to check system-wide activity
- Post G/L activity to ledger account balances

Once the end of the accounting period is reached, and all transactions have been entered, a new series of activities is initiated that will be described in the next section, End of Period Processing.

These include activating a new period and generating a series of reports showing how the financial position of your company has changed as a result of the period's activity.

Chapter 8

Recurring Documents Menu

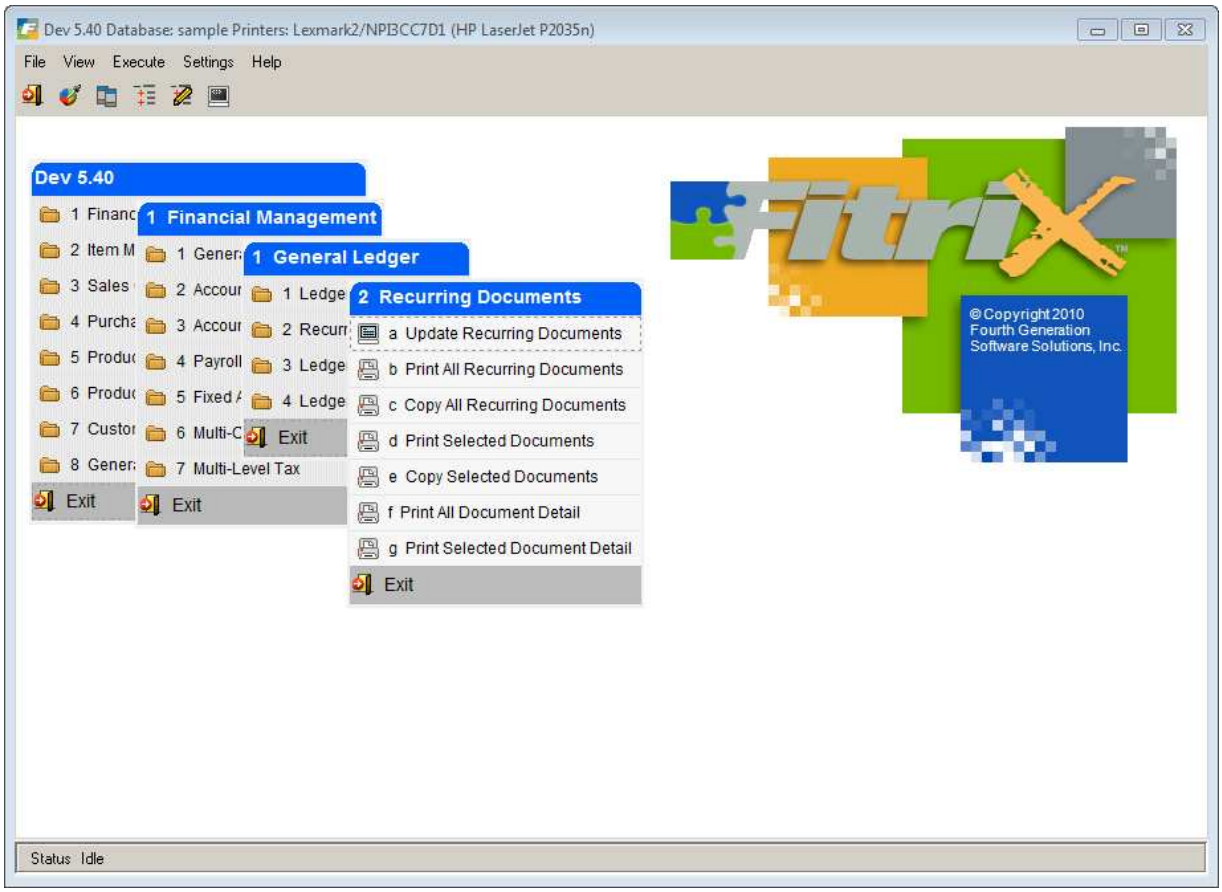
This chapter contains information about managing recurring documents.

Recurring Documents Menu

Every business has transactions that take place virtually unchanged in every accounting period. Rent payments, lease payments, service charges—even salary entries—are all examples. Since the documents that record these transactions must be posted again and again, they are called “recurring documents.”

Rather than making entries for these transactions every period, Fitrix General Ledger has a file in which this type of transaction can be stored. The Recurring Documents Menu provides options that allow you to enter, select, print, and copy recurring documents to the General Journal.

The Recurring Documents submenu:



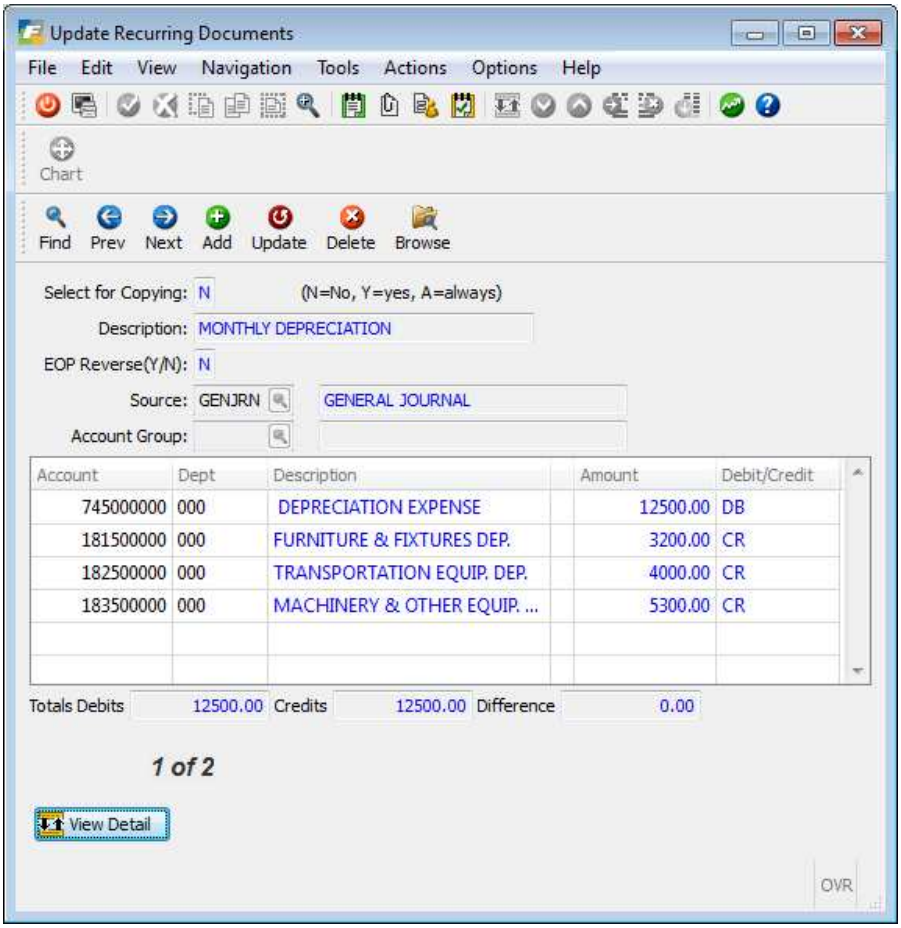
Update Recurring Documents

Documents entered into the Recurring Documents program are retained there permanently unless you delete them.

Recurring Documents are maintained with the Update Recurring Documents program on the Recurring Documents Menu. The documents in this table can be copied to the General Journal table whenever necessary for creating a transaction of a recurring type.

Each General Journal document created by copying a recurring document is given a document date. And these newly created documents can be changed, posted, or reversed just like any other standard document in the General Journal. Changing the document in the General Journal will not have any effect upon the original document stored in the Recurring Documents file.

The Recurring Document screen:



Recurring Document screen—header section

The header section of the form provides general information about a document.

Select for Copying:

This is a single-character alphanumeric field that accepts an entry of either N (no), Y (yes), or A (always). The default is N. Y indicates that you want the document to be copied to the General Journal during the next recurring document copy. When it is copied, the Y is changed back to an N so that the document is not automatically copied again with the next copying.

An A indicates that you always want this document to copy and it will be duplicated in every recurring document copy session. Using the A value means that you plan on copying your recurring documents only once per period. It is important to note that if you copy more than once in a period, more than one copy of documents with Select for Copying set to A will be created in the general journal.

An N in this field means that the document is not to be duplicated during the next copy. This field is automatically set to an N value after every copy unless this value is set to A.

Description:

This is a thirty-character alphanumeric field, which stores a brief description of the recurring document.

EOP Reverse(Y/N):

This one-character alphanumeric field stores a value either of Y (yes) or N (no). Setting this flag to Y results in the document being automatically reversed at the end of the period when the Begin a New Period option is run (i.e., a document which reverses debit and credit postings is created).

Source:

This six-character alphanumeric field stores a code representing the originating journal of a document (accounts receivable, accounts payable, etc.). It defaults to GENJRN (General Journal).

This code is informational; it is displayed on the General Ledger activity reports, but otherwise has no significance. The code entered must have been previously been set up through the Update Source Document Types option of the Ledger Setup Menu. The Zoom feature is provided.

Source Description:

Upon entering a valid source document code in the Source field, the system displays its description in the unlabeled field to the right of the source document code. This description is retrieved from the Source Document file.

Account Group:

This is a six-character alphanumeric field.

Account Group Description:

After entering a valid account group, its description is displayed adjacent to the Account Group field. This description is retrieved automatically from the Account Groups program.

Recurring Document screen—detail section

Selecting Detail or pressing Ctrl TAB moves the cursor to the detail (lower) section of the form. This section provides a row for each account. A document cannot be stored, or therefore, posted, without this detail information..

Account:

Nine-digit numeric field. Stores the numbers corresponding to the ledger accounts affected by this transaction. All account numbers must have been previously setup in the Ledger Accounts table. The Ledger Accounts information is maintained with the Update Account Balances program on the Ledger Setup Menu. The Zoom feature is available.

Dept.:

Optional three-character alphanumeric field. Defaults to 000. Stores a department code if you are departmentalizing your expenses and income. Codes must have previously been set up in the Company Information table through the Update Company Information program of the Setup Company Menu. The Zoom feature is available.

Description:

Thirty-character alphanumeric field. Upon entering a valid ledger account in the Account column, its description is automatically displayed. This description is retrieved from the Ledger Accounts table. This is a display-only field.

Amount:

Stores the amount of the transaction to be copied to the account on the current line.

Credit/Debit:

The first column under this heading is a numeric field which stores the amount being credited or debited. To the right of the amount is an entry of CR or DB, indicating whether the amount is a credit or debit, respectively. Both columns are system-maintained fields. Whether a ledger account is increased with a debit or a credit is determined when you set up the Ledger Accounts.

Recurring Document screen—totals section

This section of the screen is system-maintained: the computer calculates the totals for you, and places them in the proper fields.

Totals-Debits:

Displays the total amount of debit postings for the current document.

Credits:

Displays the total amount of credit postings for the current document.

Difference:

The value displayed is the amount that debits and credits are out of balance. The General Ledger module will not allow storage of documents that have a nonzero value in this field.

Print All Recurring Documents

This program prints a report listing the document description and whether a document is marked for copying to the General Journal. The description is the information stored in the Description field in the Recurring Documents table.

Whether the report lists the document as “marked for copying” depends on the current entry in the Select for Copying field in the Recurring Documents table, maintained through the Update Recurring Documents program.

Copy All Recurring Documents

This program copies *all* recurring documents, regardless of the current setting in the Select for Copying field in the Recurring Documents table. Through this copying process, each document in the Recurring Documents table is copied to the General Journal table (no change is made to the Recurring Documents table).

When you run this program a prompt is presented to allow you to put in a date for the documents to take effect. If no date is specified, the system defaults to the current date. This copying process has no impact on G/L Activity files or account balances.

Print Selected Documents

This program prints a report listing *only* those documents that are marked to be copied to the general journal. The description is the information stored in the Description field in the Recurring Documents table, maintained through the Update Recurring Documents program.

The report produced by this program is very similar to the Recurring Documents List report generated by the Print All Recurring Documents program. The difference is that the list is restricted to those documents that are marked for copying.

Copy Selected Documents

This program copies *only* those recurring documents with the Select for Copying field currently set to Y (yes) or A (always) in the Recurring Documents table.

A setting of Y is changed back to N after copying; such documents must be reset to Y before they are copied again through the Post Selected Documents program.

Through this copying process, each designated document in the Recurring Documents table is copied to the General Journal table (no change is made to the Recurring Documents table). The copying process has no impact on G/L Activity files or account balances.

When you run this program a prompt is presented to allow you to put in a date for the documents to take effect. If no date is specified, the system defaults to the current date.

Print All Document Detail

This program prints a detail report for *all* recurring documents, regardless of the value stored in the Select for Copying field in the Recurring Documents table. The report is organized by document number. Complete information is listed for each document reflecting the data entered on the Recurring Documents screen displayed under Update Recurring Documents.

Print Selected Document Detail

This program prints a detail report for *only* those recurring documents with a current value of Y (yes) or A (always) stored in the Select for Copying field in the Recurring Documents table. The report is organized by document number. Complete information is listed for each designated document reflecting the data entered on the Recurring Documents screen displayed under Update Recurring Documents.

This program produces a report which includes only those documents that are marked for copying.

Chapter 9

Ledger End of Period

- Sequence of Events for End of Period Processing
- Overview of End of Period Reports
- Period Maintenance Activities for End of Period and End of Year

End of Period Processing Sequence

End of Period processing for G/L includes preparing the system for recording transactions in a new current period, and creating reports that summarize the effects of the last period's transaction processing.

The following steps outline the typical End of Period processing sequence. Each step is discussed in more detail in the sections following.

Posting at End of Period

- Printing edit list of existing G/L activity
- Posting all existing G/L activity to ledger accounts

Printing End of Period reports

- Printing the Trial Balance report
- Printing the Income Statement and Balance Sheet reports
- Printing comparative reports (optional)

Period Maintenance

- Initiating the new "current" accounting period
- Copying recurring documents into the General Journal for the new period (using options on Recurring Documents menu) (optional)

Beginning a New Year (when new "current" period starts a new year

- Specifying next "current" period number as 01
- Initiating Begin a New Year processing by printing Begin a New Year posting report.

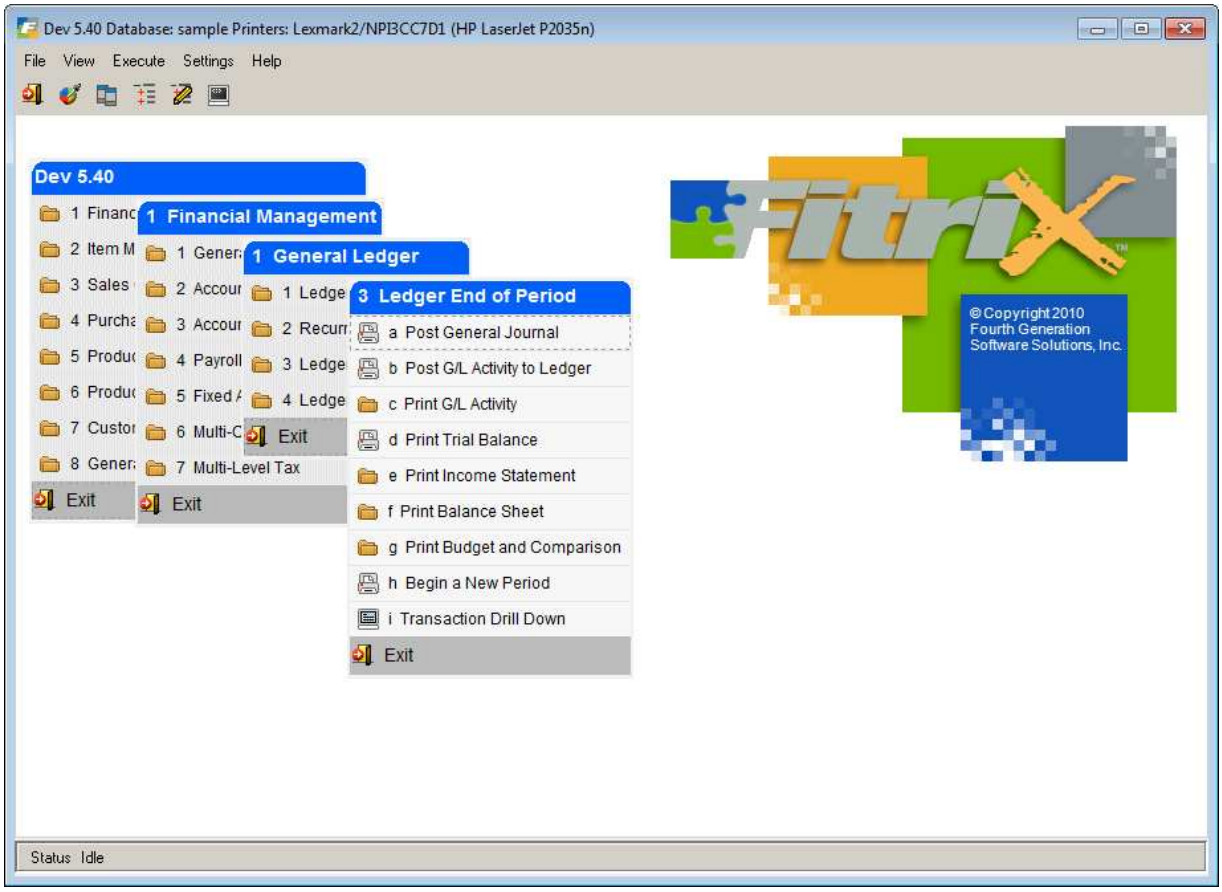
Ledger End of Period Menu: Period Maintenance Options

Besides posting and print options, the End of Period menu contains options pertaining to completing one period and beginning a new one.

Note

All End of Period processing options are found on the Ledger End of Period menu, with the exception of the period maintenance step of loading recurring documents, which uses options on the Recurring Documents menu.

The Ledger End of Period submenu:



Posting General Journal Documents

The Post General Journal program posts all un-posted documents in the General Journal table. This posting process updates the G/L Activity file.

This menu item is identical to the Post General Journal program on the Ledger Journal Menu. Prior to posting, you must print an edit list using the Print General Journal Listing option on the Ledger Journal Menu.

Note

Before posting, any errors on a document may be corrected using the Update General Journal option on the Ledger Journal Menu. After posting, errors can only be corrected by creating a new document.

Post G/L Activity to Ledger

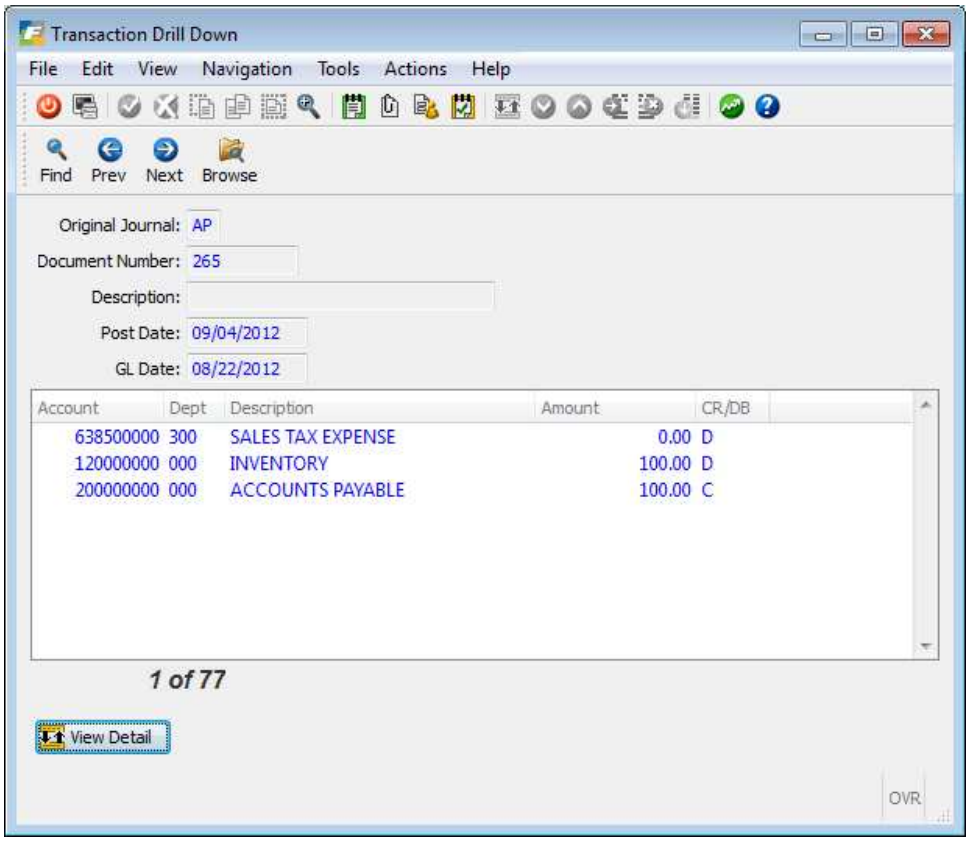
This program posts the G/L Activity to the general ledger balances. A posting report is generated, organized by document number. The description of the document, each account posted to by the document, the account name, and the credit/debit amount of the posting is listed.

Transaction Drill Down

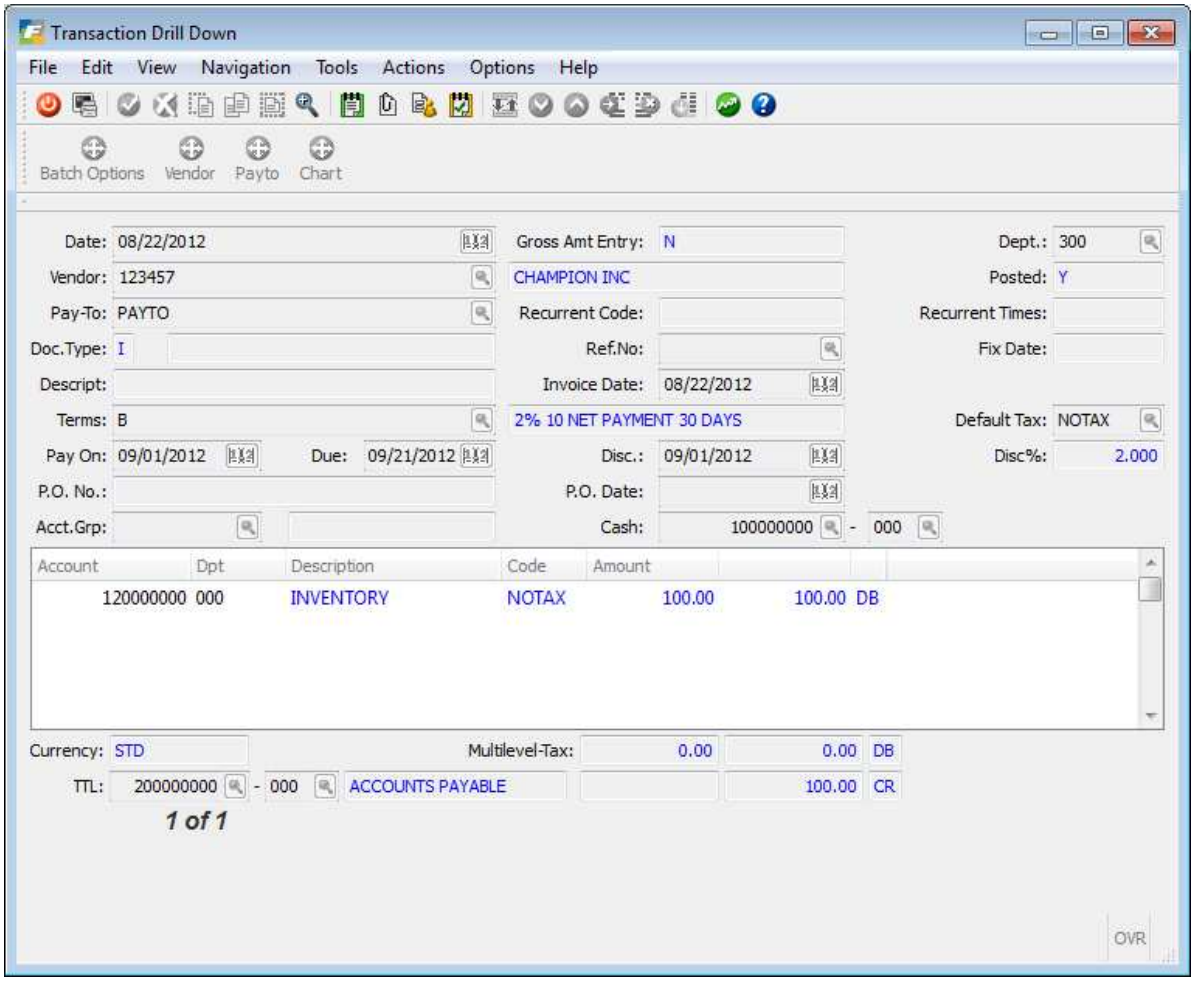
This program enables the user to drill down from an account number to the source documents that make up the account number's balance.

1. Click Find, and then enter your selection criteria.

2. Click OK. The selected transactions display.



3. Click Zoom, or press Ctrl Z to drill down own to the source document.



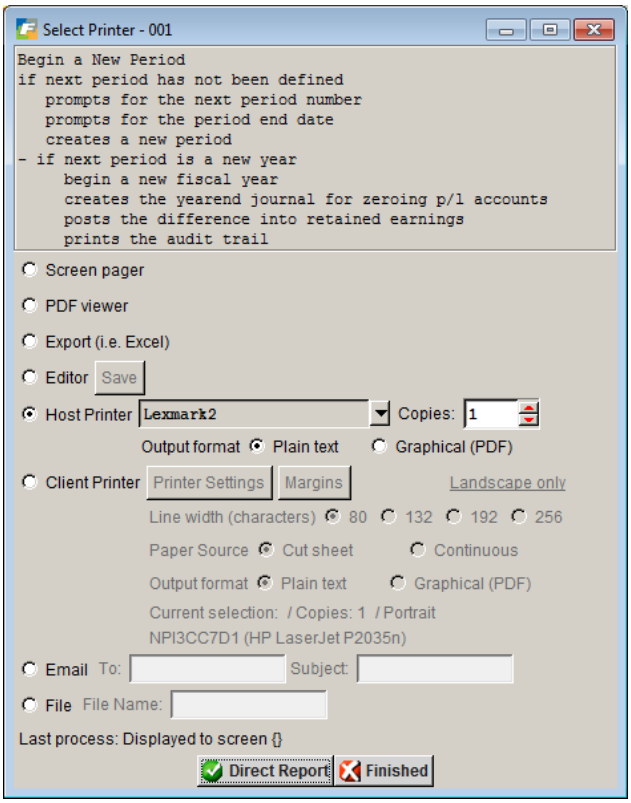
Overview of End of Period Reports

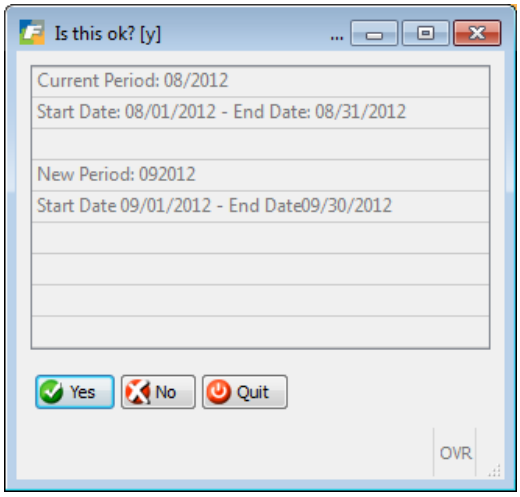
- The **G/L Activity** report shows the total debits and credits to each ledger account for the current period or a range of periods. The summary report contains only the total debits and total credits to the account, while the Detail report shows the debits and credits for each document.
- The **Trial Balance** report should be run before any other financial reports are created, to verify that the total debits and total credits balance for the period. This report lists the total credit and debit amounts for each account for the period.
- The **Income Statement** lists total income and cost of goods sold to calculate gross profit and then subtracts total expenses to show net income for the period.
- The **Balance Sheet** shows your company's overall financial position as of the end of the period, listing the totals for the period for assets, liability and capital accounts.
- **Budget and Comparison** reports can be used with budget figures to compare totals for the period with totals for the previous period. They display a comparison of budgeted year-to-date totals with actual year-to-date totals.

Budget amounts are entered using the Update Account Balances option (4-c), and can be added or updated for any account at any time. Budget amounts are “reference-only” information, used only for creating comparative reports.

End of Period Maintenance Activities

Begin a New Period (3-h) brings the next period under G/L control, allowing you to post documents in that date range.





Beginning a New Fiscal Year

The Begin a New Period option is used to begin a new fiscal year.

When you run the Begin a New Period option and specify that the new period is the first period of a new fiscal year (by giving the new period a period number of 01), the system performs the following activities:

- calculates year-to-date earnings from Income Statement accounts (income, expense, and cost of goods)
- zeroes out balances in Income Statement accounts and posts earnings to designated Retained Earnings account. A new period “00” is automatically created in the next fiscal year for this posting.
- prints posting report showing debit/credit effects of Begin a New Year processing on account balances.

Note

When you specify the new period number as 01, be sure that you intend to initiate Begin a New Year processing. Begin a New Year operations are performed automatically once you specify the period as 01 and execute the Print command for the Begin a New Year posting report.

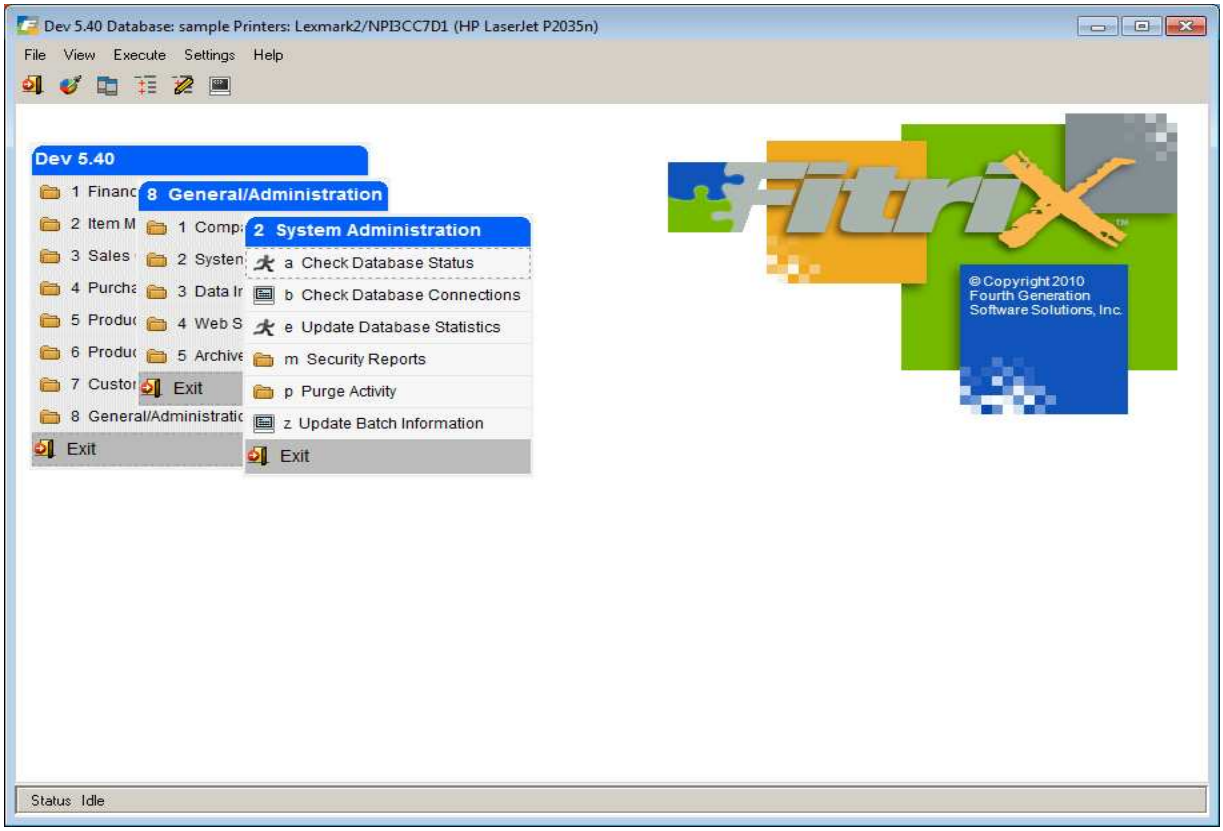
Chapter 10

Administration Menu

- Check Database Status
- Check Database Connections
- Update Database Statistics
- Security Reports
- Purge Activity
- Update Batch Information

Administration

The Administration Menu:



The following Options are available:

Check Database Status

Note

This function should only be used by your System Administrator. Please contact your Fitrix Representative for further information.

Check Database Status (option a). Use this option to see if the database is up and running. If the status is "Online" then the database is up and ready for connections. Shows the current status of the database such as:

- Database version
- Status- Online/Quiescent/Offline

- Number of days the database has been up
- Size of memory allocated.

Check Database Connections

Note

This function should only be used by your System Administrator. Please contact your Fitrix Representative for further information.

Check Database Connections (option b). Shows information about the current users connected to the database. There will be one line of information for each user that is currently connected to the database in the following report:

- Session ID
- SQL Statement type - Select/Insert/Update/Delete
- Database name
- Isolation Level
- Error info if any.
-

Role Based Menus Setup

Use these programs to set up custom menu structures for each role/user. See the *Getting Started with Fitrix* User Guide for instructions on how to do this.

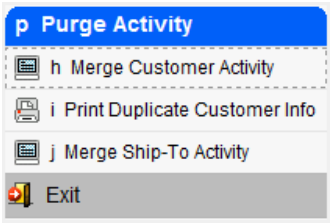
Security Reports

This menu option (option m) allows you to print a report of current security settings (ie- who is allowed to do what with the Fitrix software).

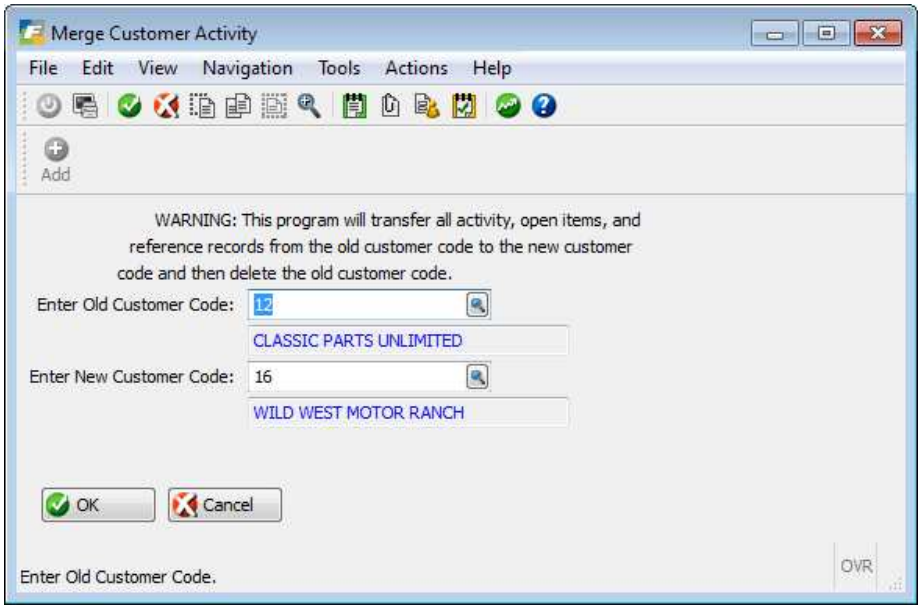
•

Purge Activity

Purge Activity (option p). This menu option has the following submenu:



Merge Customer Activity - this program is useful when a company changes names and you want to set up a new customer code that reflects the new company name and then transfer all sales history/activity to the new code.



Print Duplicate Customer Information - this report program will list any information that could not be merged into the new customer code because it is a duplicate. For example, if old customer 2 has a ship-to code 01 and new customer 12 also has a ship-to code 01, ship-to 01 can't be merged. What you will need to do in this case is set up a new ship-to code under customer 12 for this shipping address.

Merge Ship To Activity - This program transfers all sales history/activity to the new code and then deletes the old code.

Update Batch Information

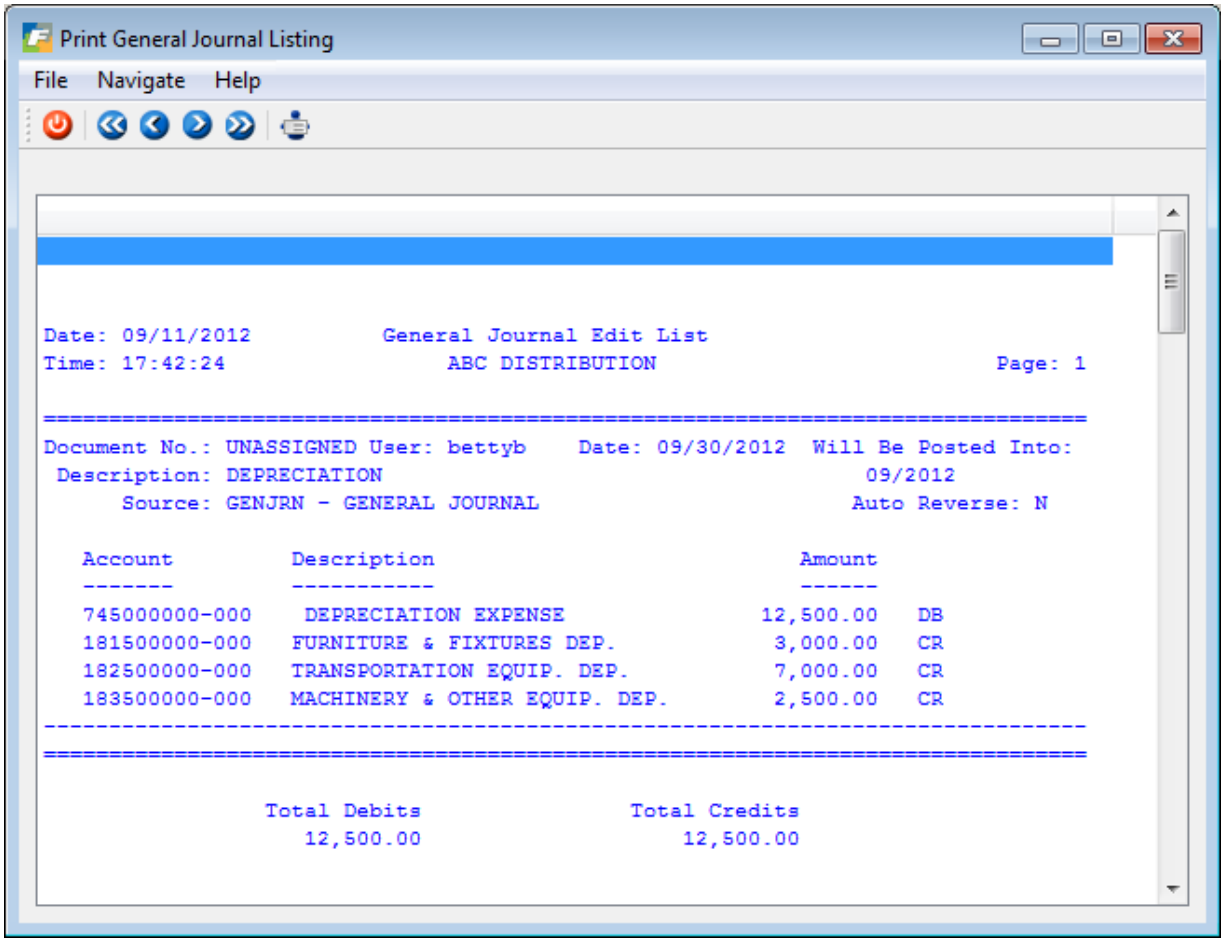
Update Batch Information (option z). See the chapter entitled Batch Control Maintenance in the *Getting Started With Fitrix* guide for information on this program.

Chapter 11

Sample Reports

There are many reports needed for General Ledger balancing and tracking. This chapter offers examples of the most common reports.

General Journal Edit List



General Journal Posting Report

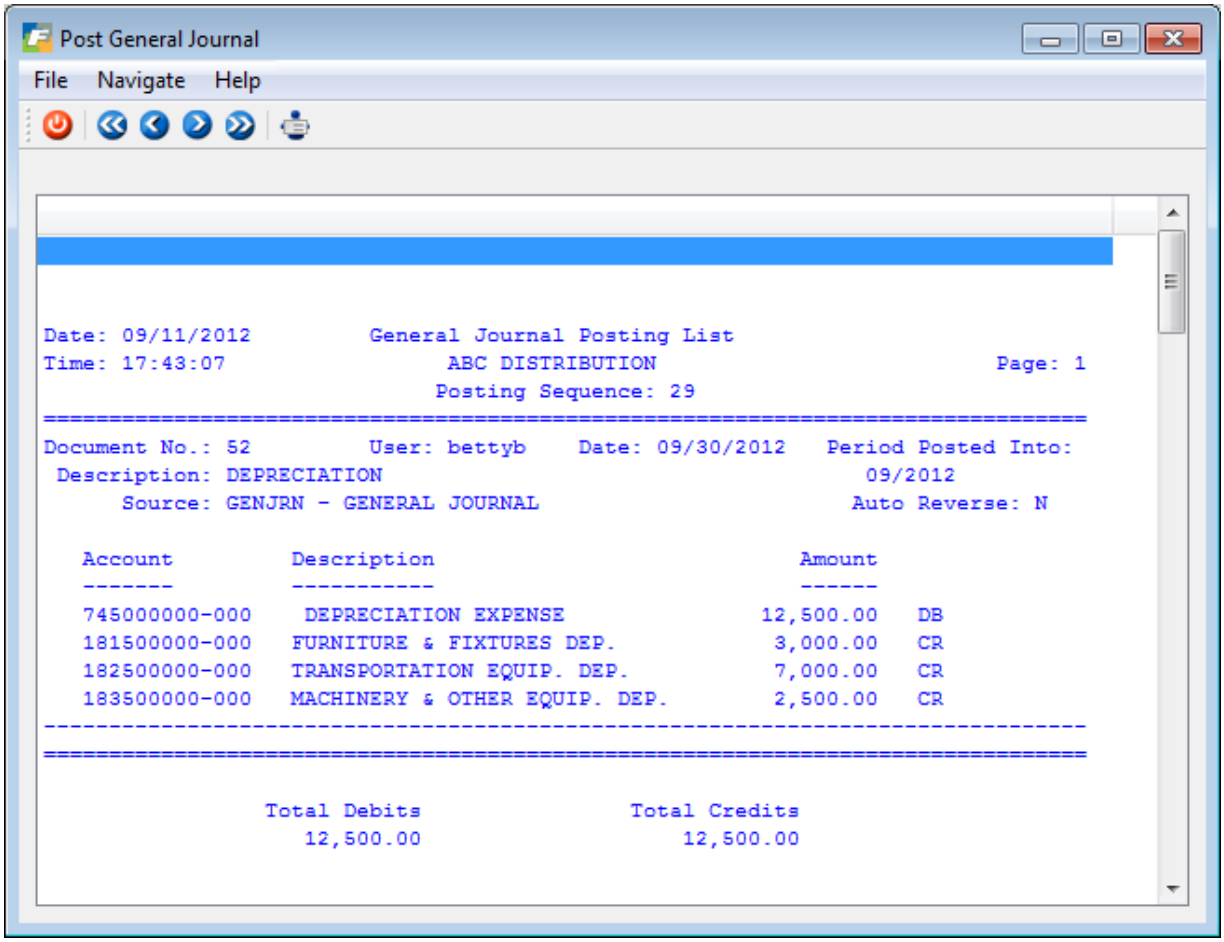
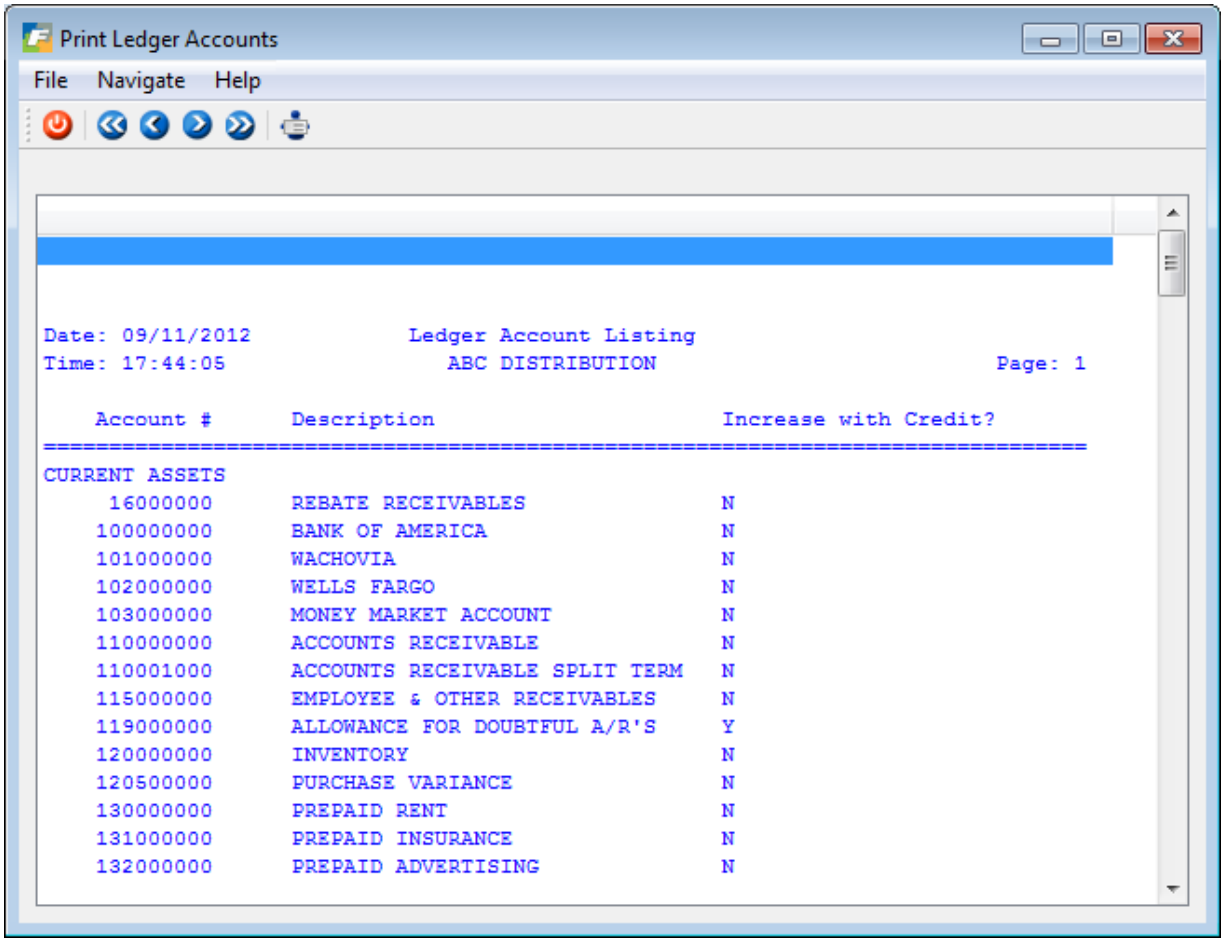
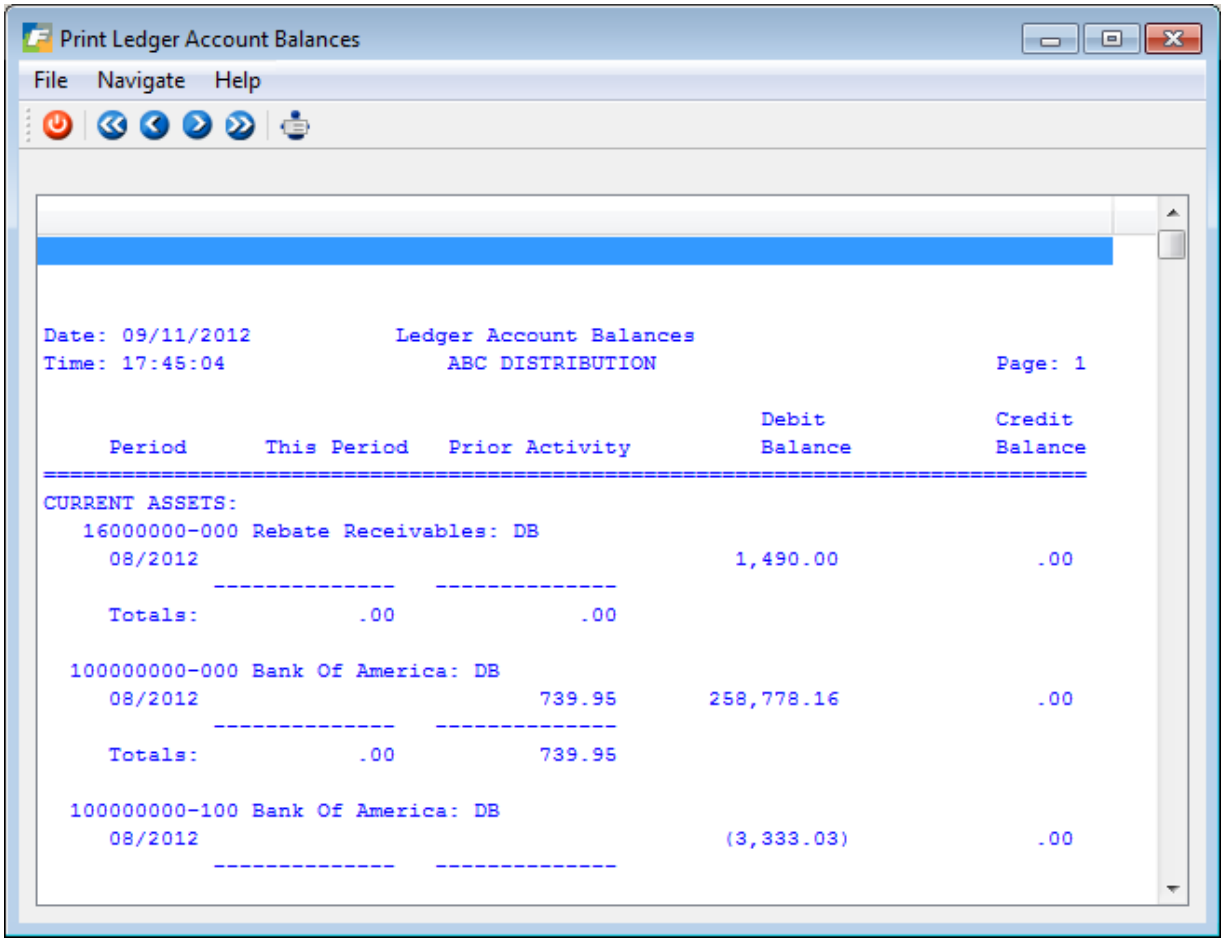


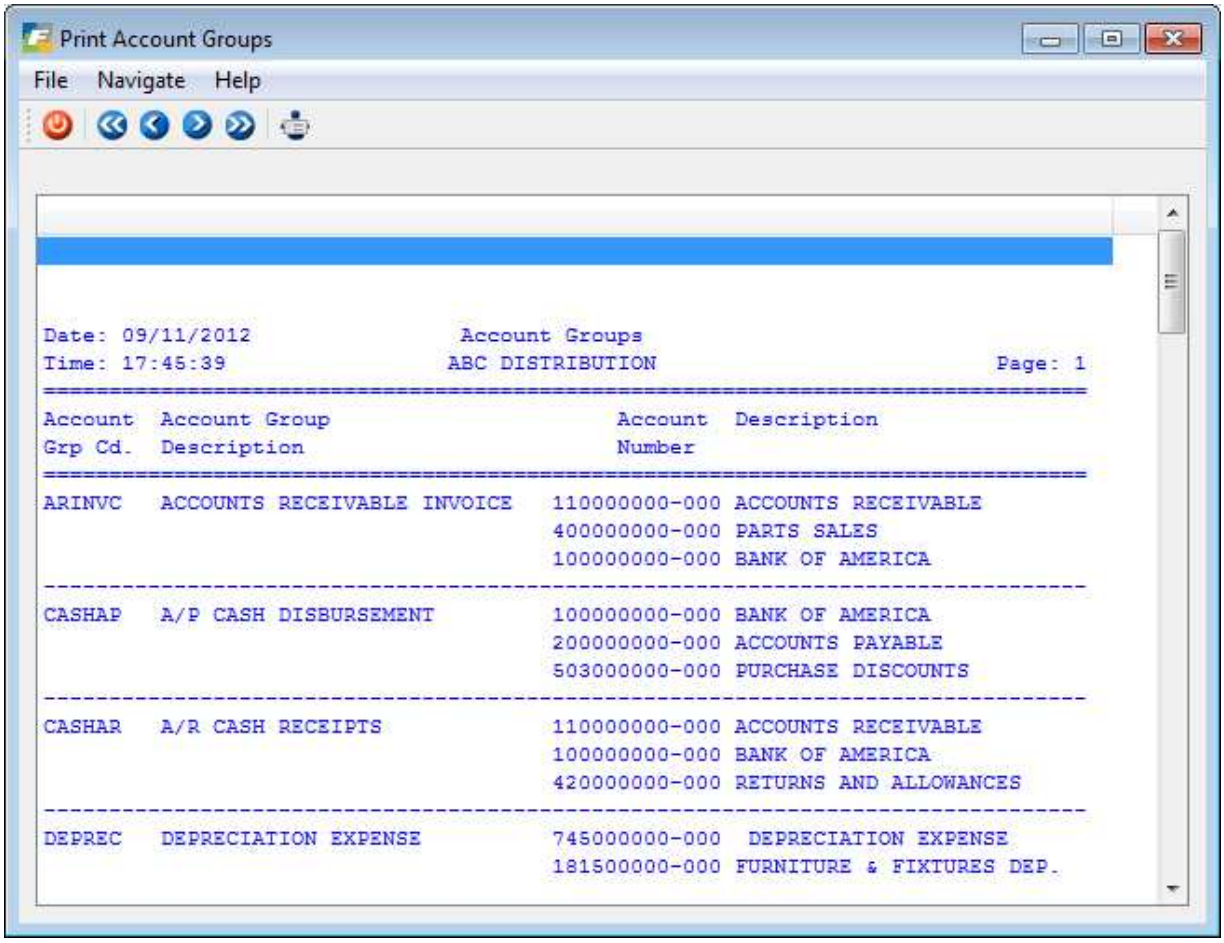
Chart of Accounts



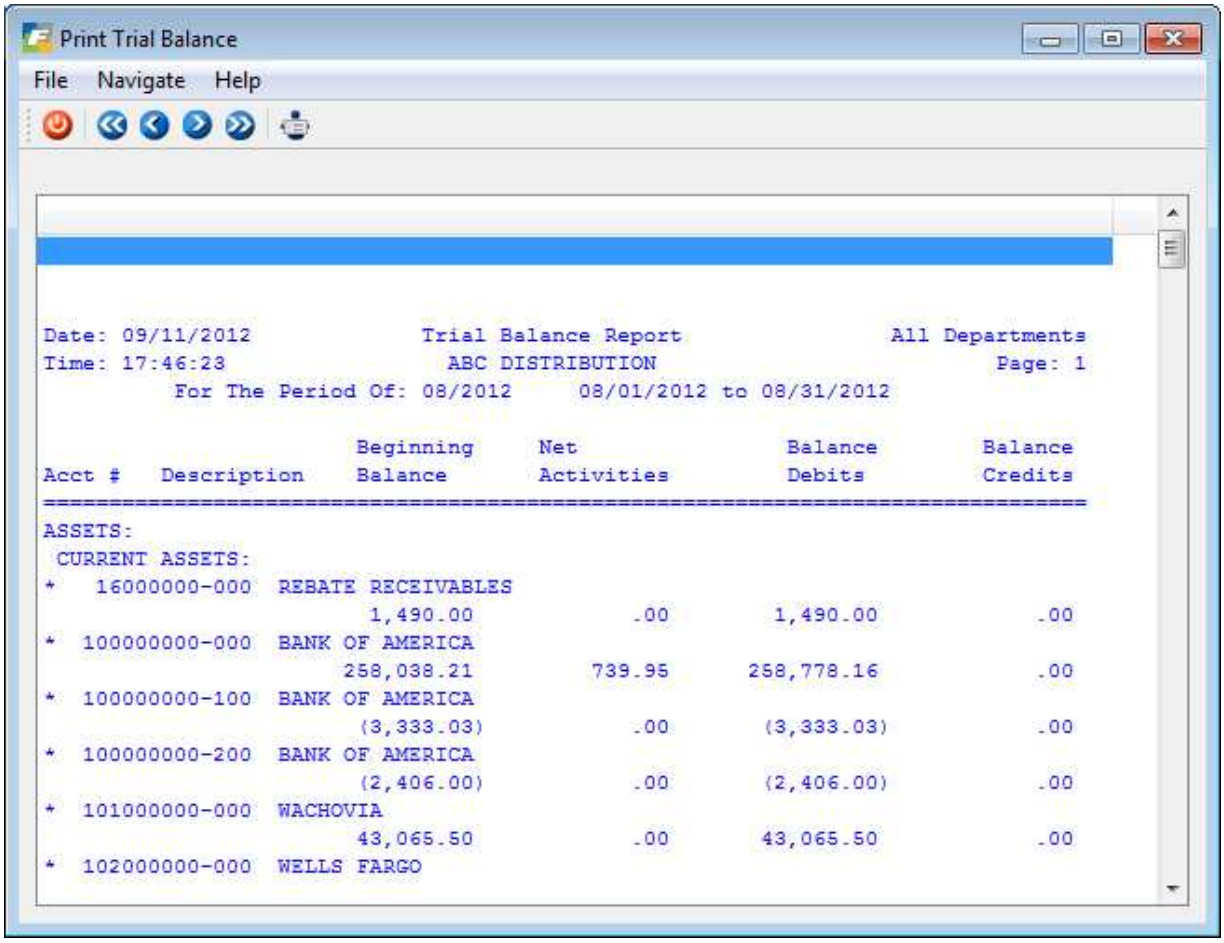
Ledger Account Balances Report



Account Groups Report

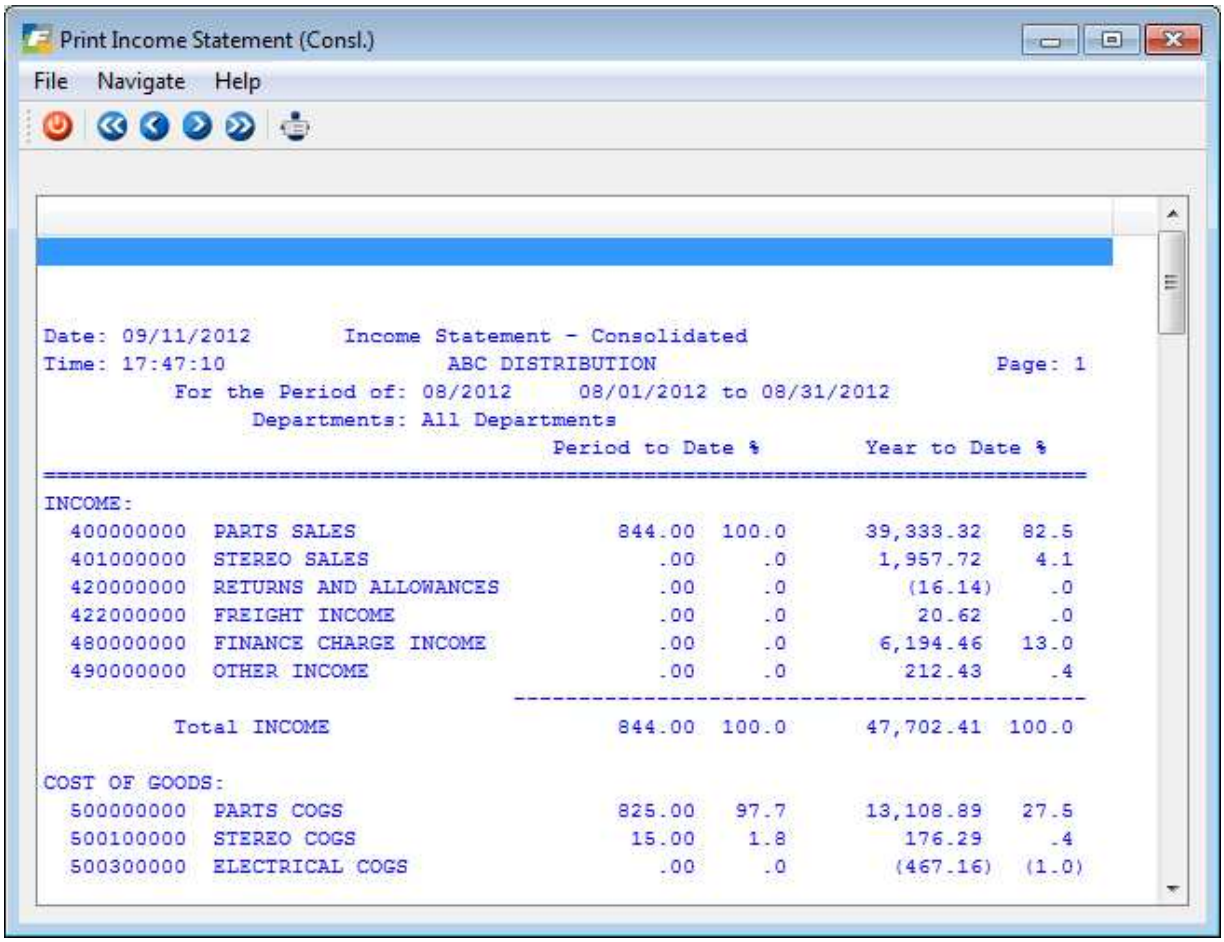


Trial Balance



Income Statement

This sample report is the consolidated report.



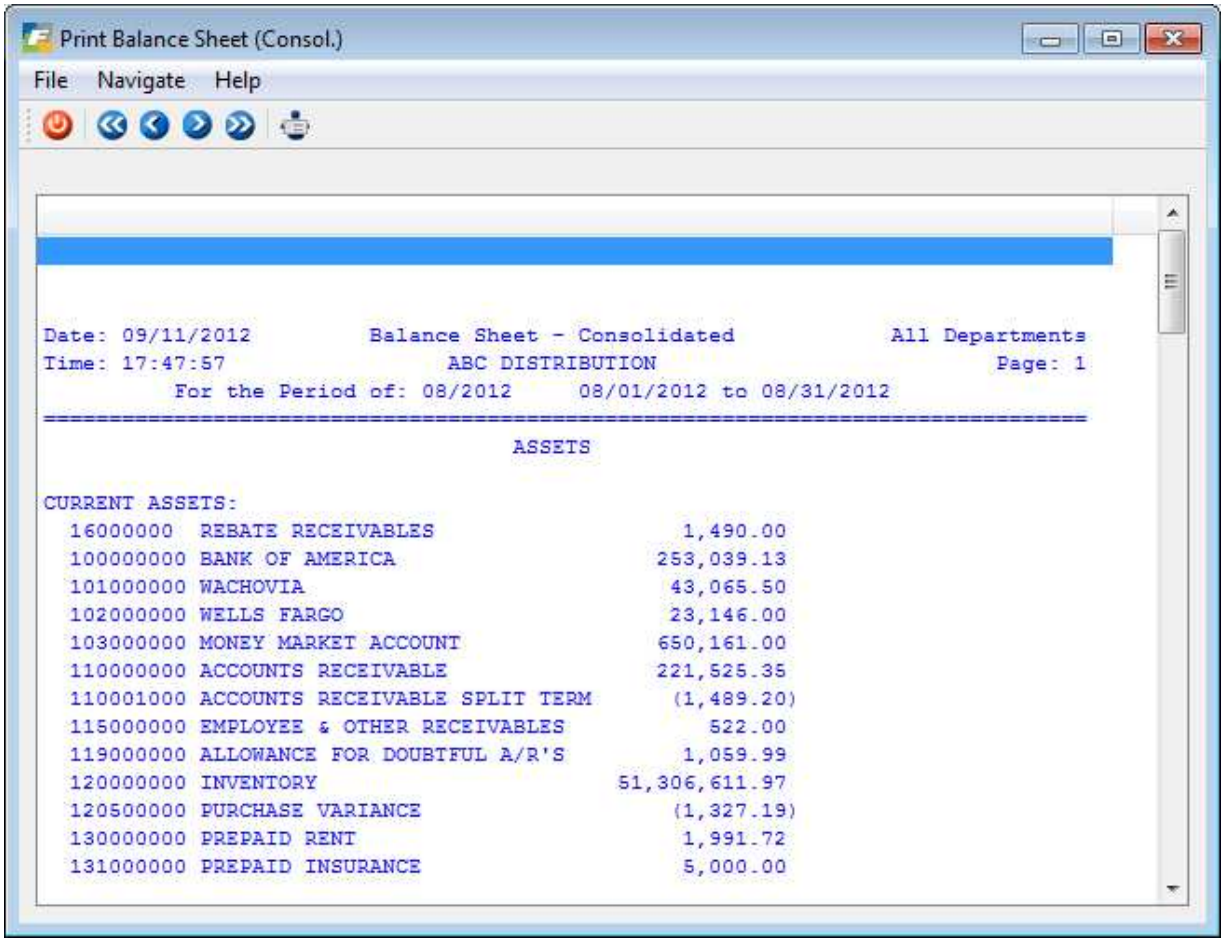

```
Date: 09/11/2012       Income Statement - Consolidated
Time: 17:47:10                ABC DISTRIBUTION                          Page: 1
          For the Period of: 08/2012     08/01/2012 to 08/31/2012
                Departments: All Departments
                                          Period to Date %        Year to Date %
================================================================================
INCOME:
  400000000  PARTS SALES                    844.00  100.0      39,333.32   82.5
  401000000  STEREO SALES                      .00     .0       1,957.72    4.1
  420000000  RETURNS AND ALLOWANCES            .00     .0         (16.14)     .0
  422000000  FREIGHT INCOME                    .00     .0          20.62      .0
  480000000  FINANCE CHARGE INCOME             .00     .0       6,194.46   13.0
  490000000  OTHER INCOME                      .00     .0         212.43      .4
                                        ----------------------------------------
          Total INCOME                     844.00  100.0      47,702.41  100.0

COST OF GOODS:
  500000000  PARTS COGS                     825.00   97.7      13,108.89   27.5
  500100000  STEREO COGS                     15.00    1.8         176.29      .4
  500300000  ELECTRICAL COGS                   .00     .0         (467.16)  (1.0)
```

You can also print these other report types:

- **Detail** - prints departmental detail for each account number.
- **Summary** - prints one line for each subtotal code (ex. sales, cost of sales, expenses)
- **Comparative Detail** - prints departmental detail for this year period v/s last year period, and this year's year-to-date v/s last year's year-to-date.
- **Comparative Consolidated** - same as Comparative Detail without the departmental detail.

Balance Sheet

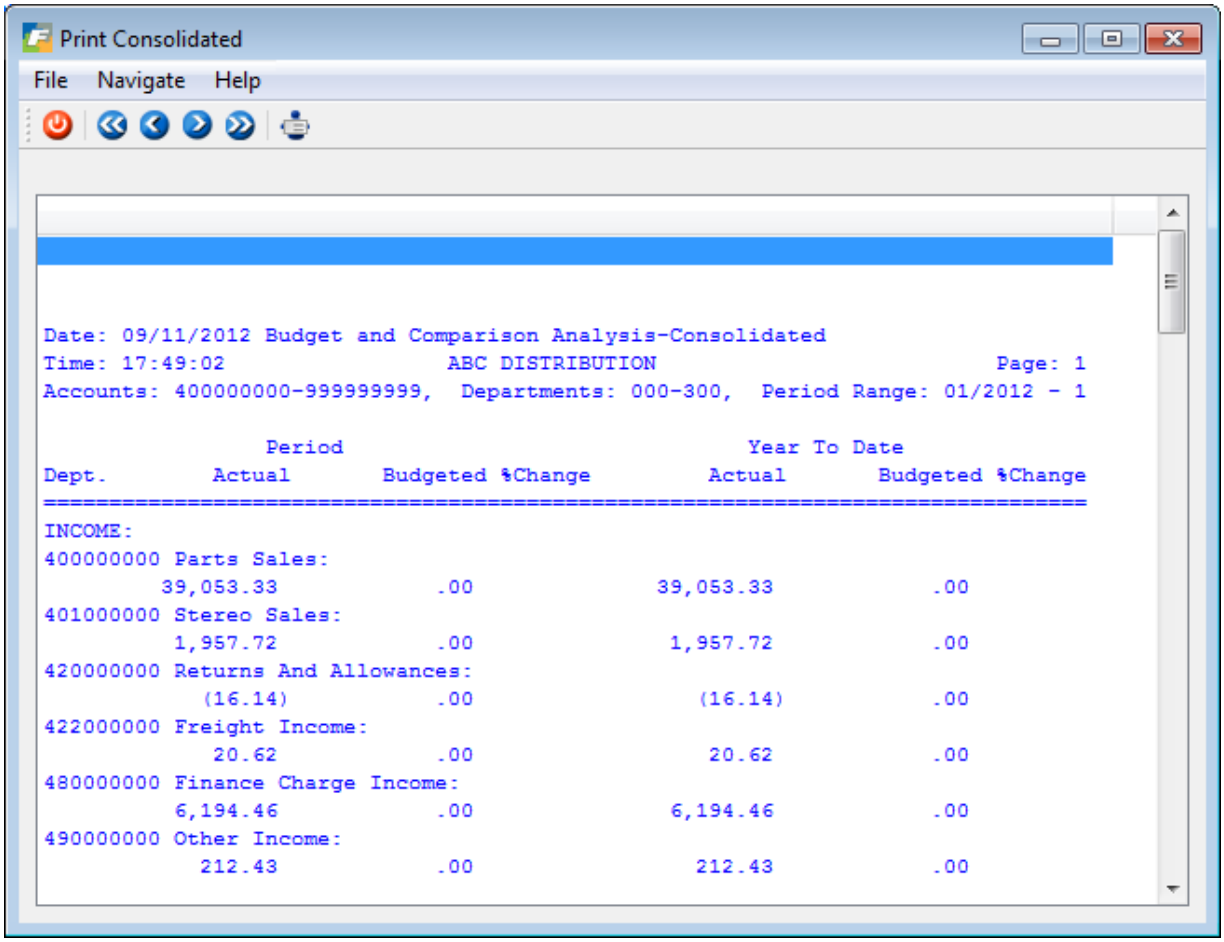
This sample report is the consolidated report.



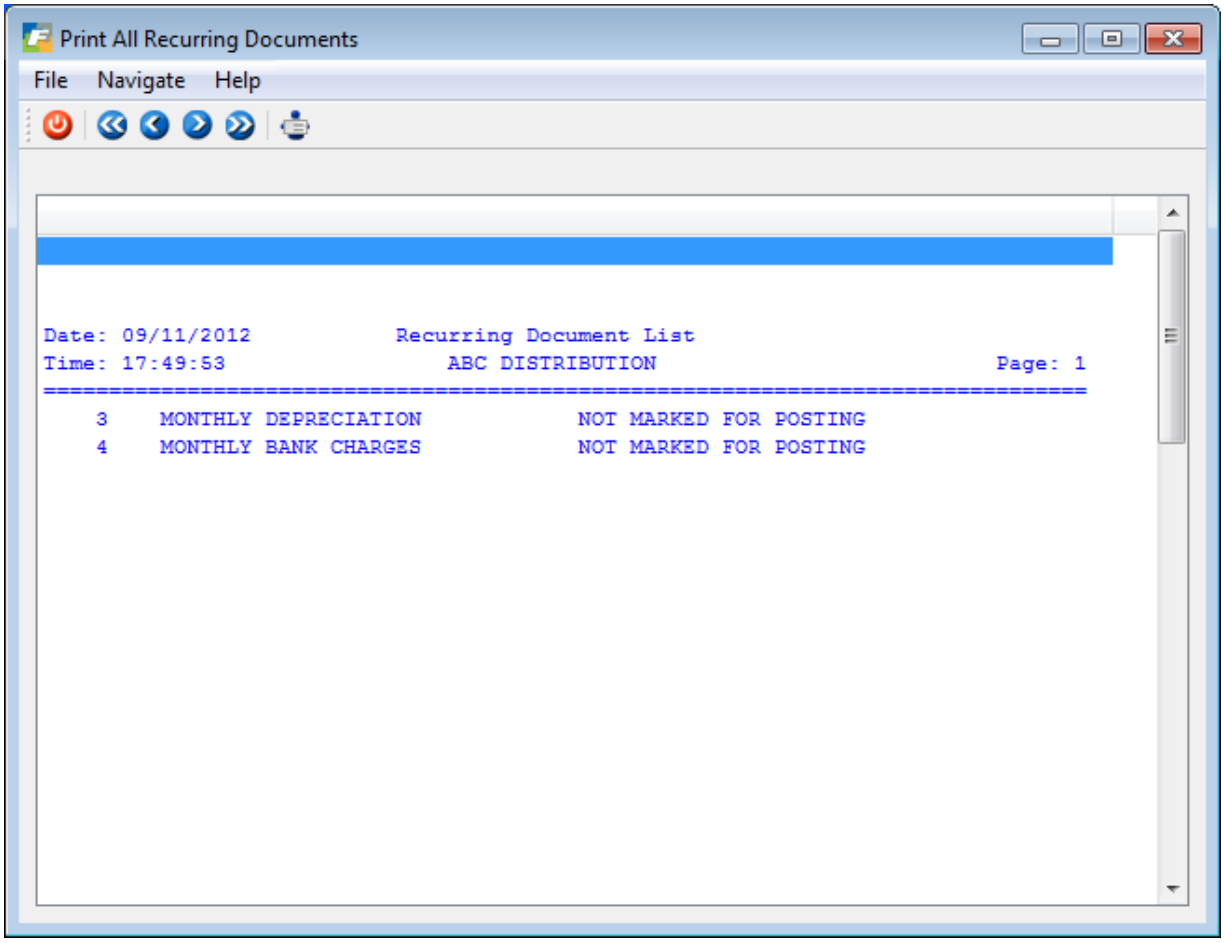
You can also print these other report types:

- **Detail** - prints departmental detail for each account number.
- **Summary** - prints one line for each subtotal code (ex. sales, cost of sales, expenses)
- **Comparative Detail** - prints departmental detail for this year period v/s last year period, and this year's year-to-date v/s last year's year-to-date.
- **Comparative Consolidated** - same as Comparative Detail without the departmental detail.

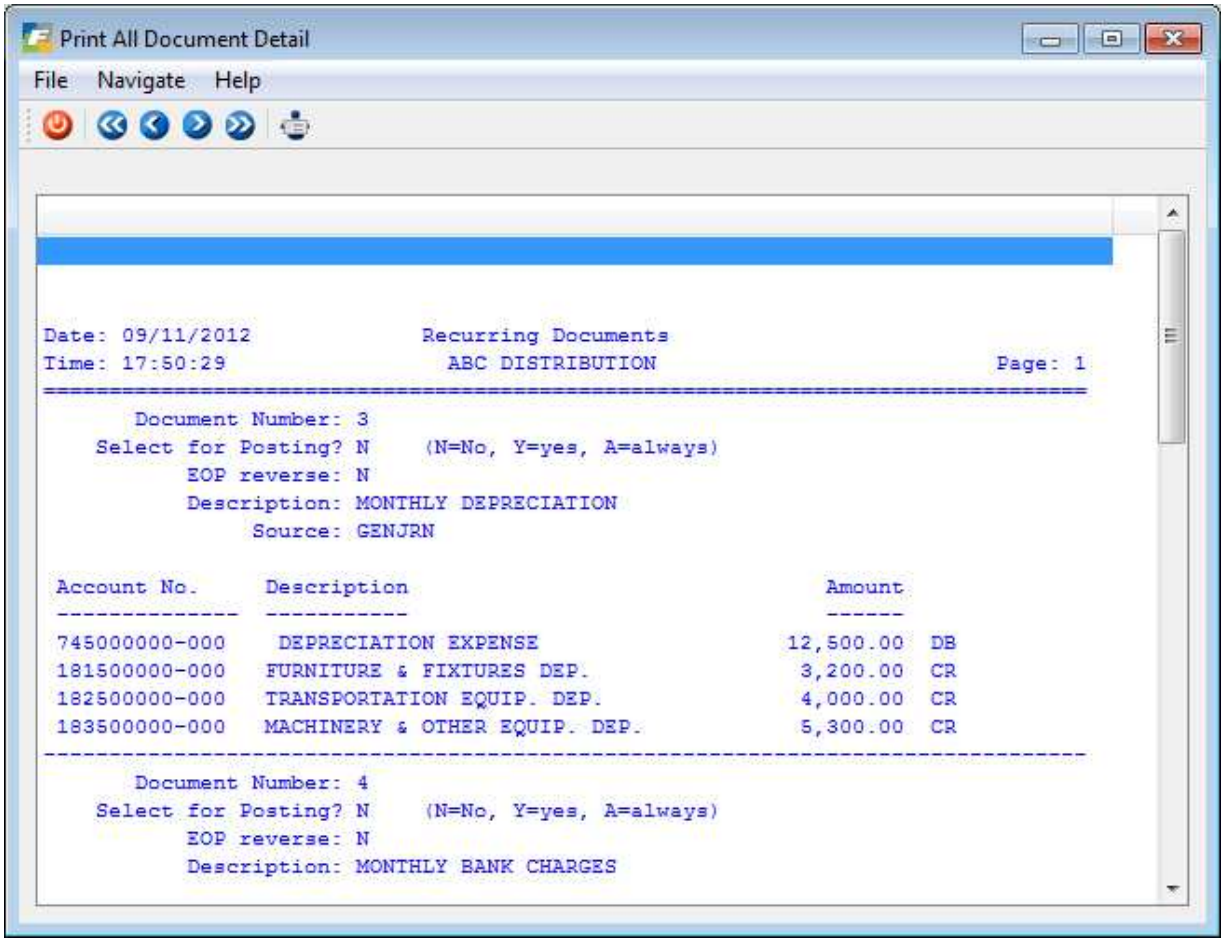
Budget and Comparison Analysis



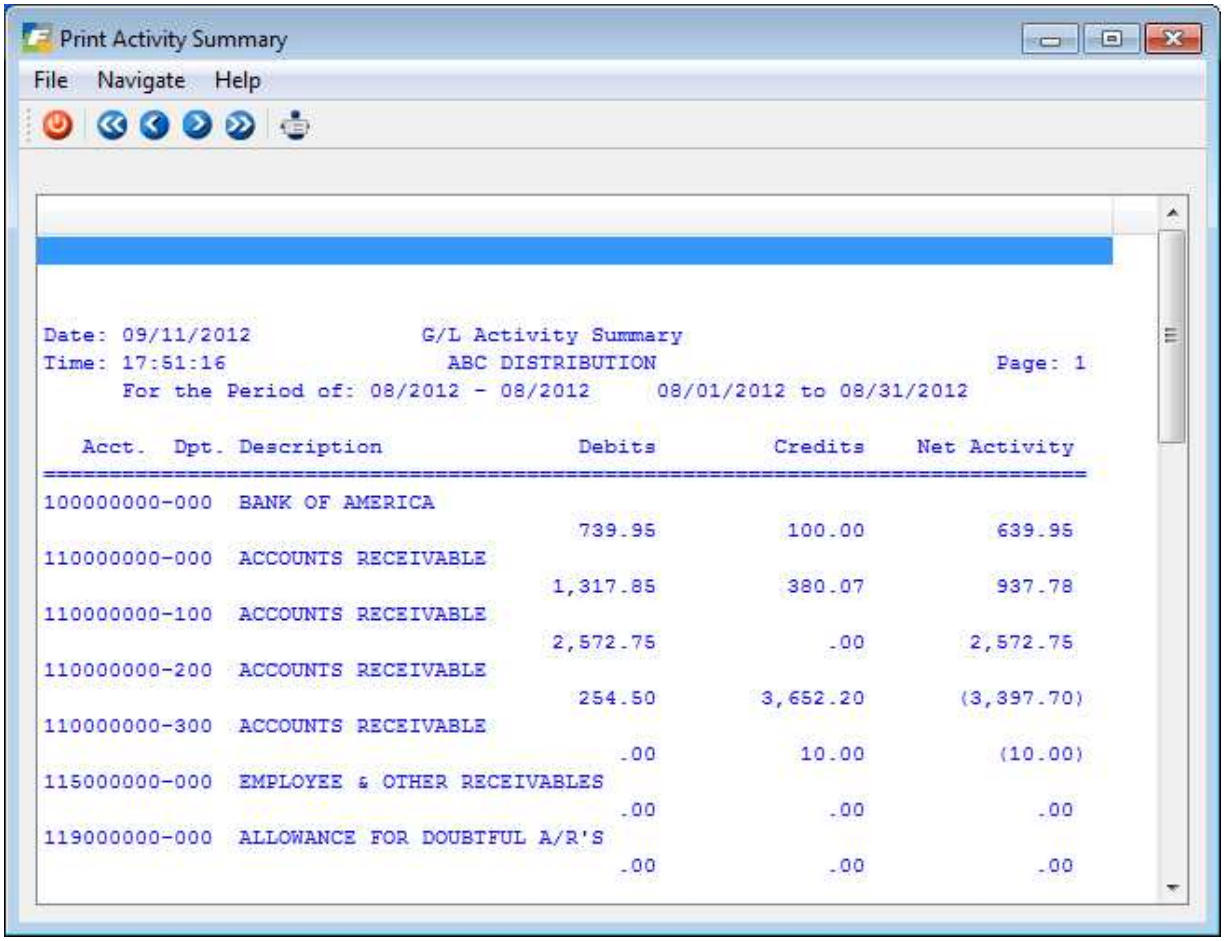
Recurring Documents List



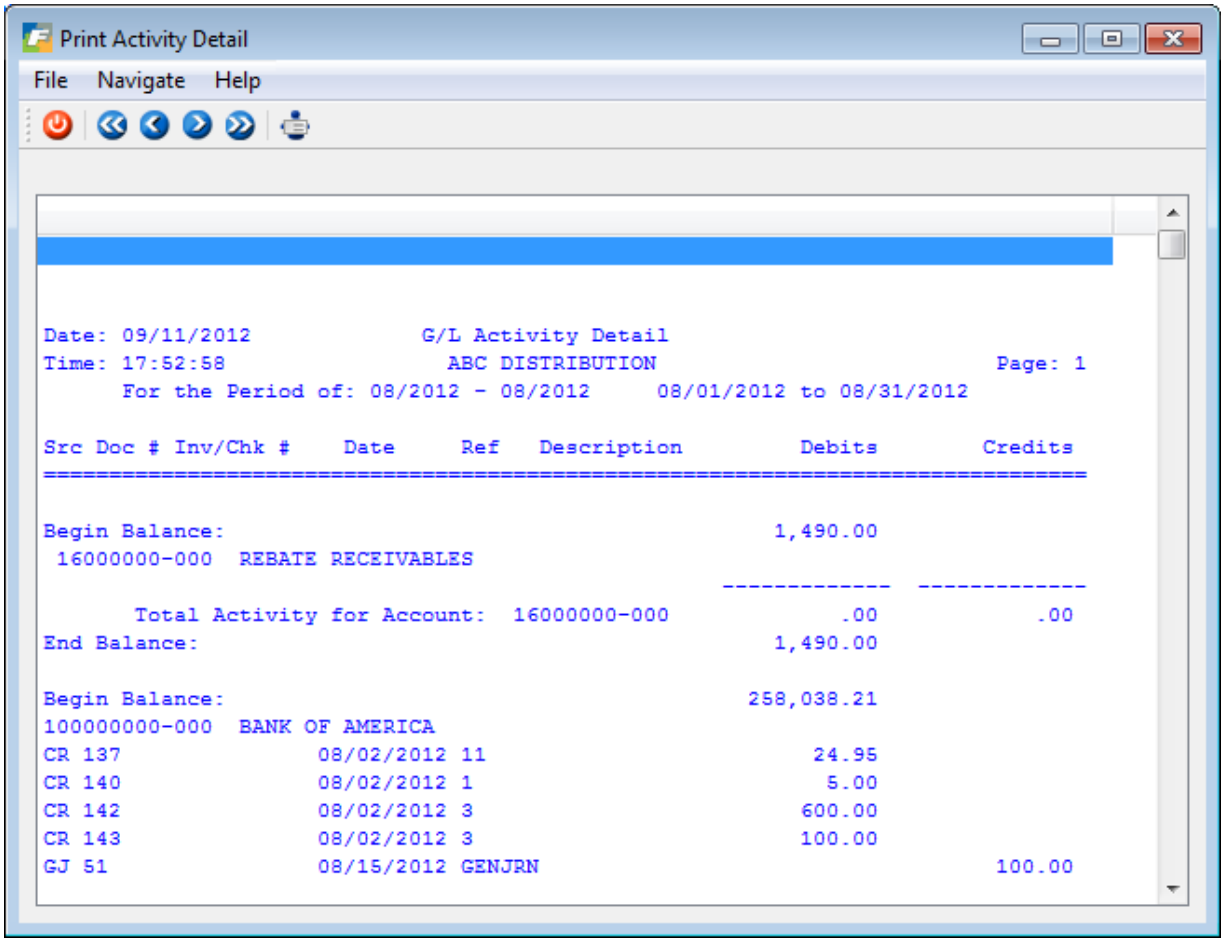
Recurring Documents Detail Report



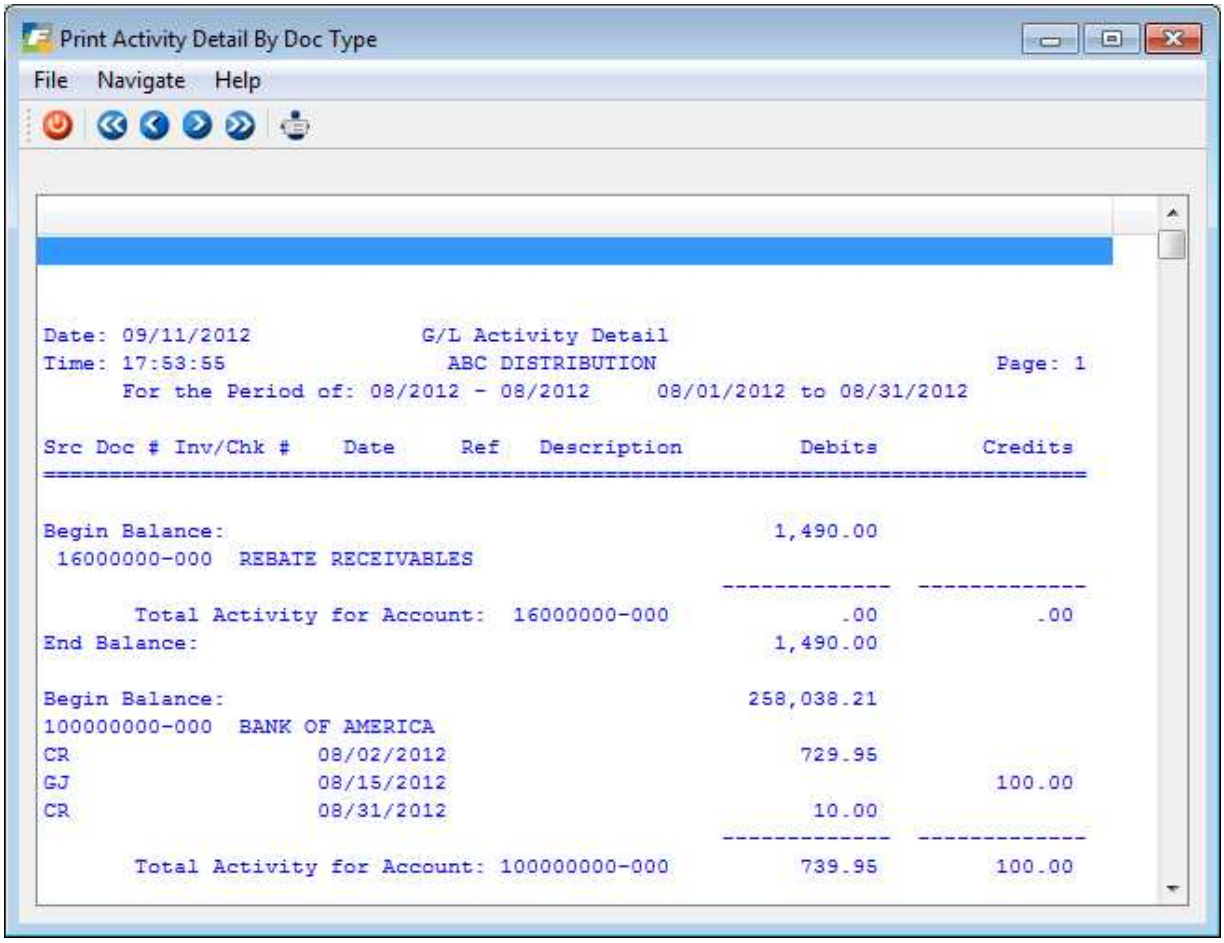
G/L Activity Summary Report



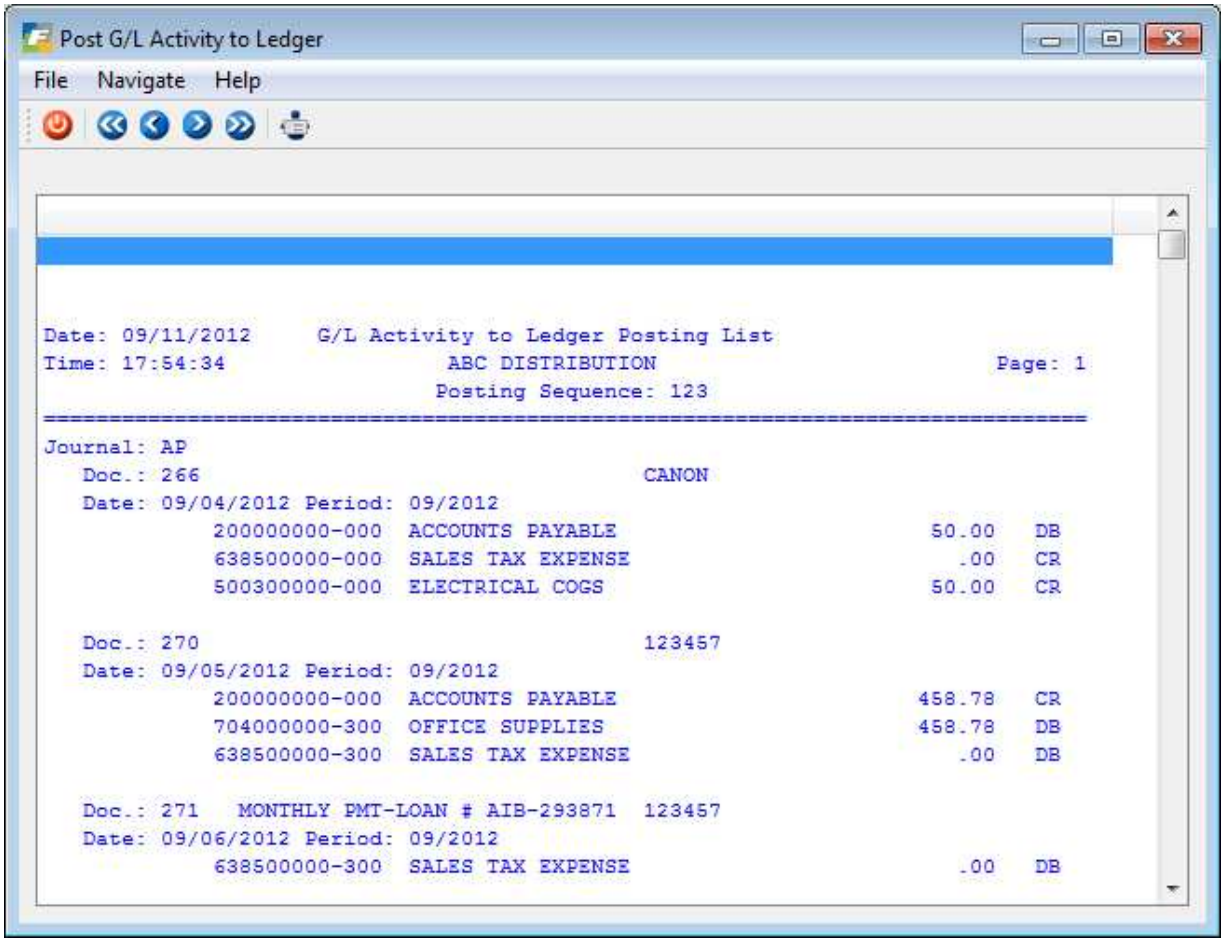
G/L Activity Detail Report



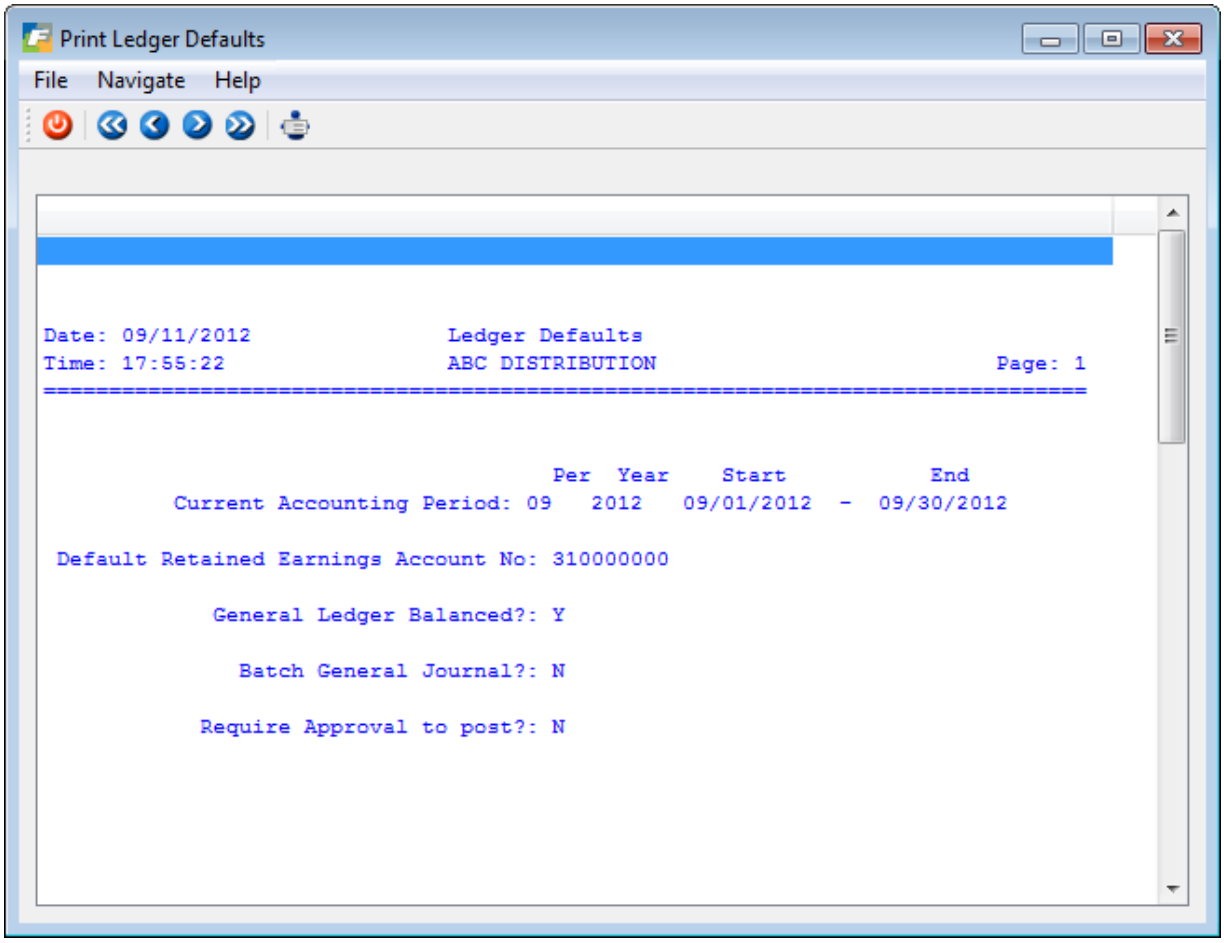
G/L Activity Detail by Doc Type



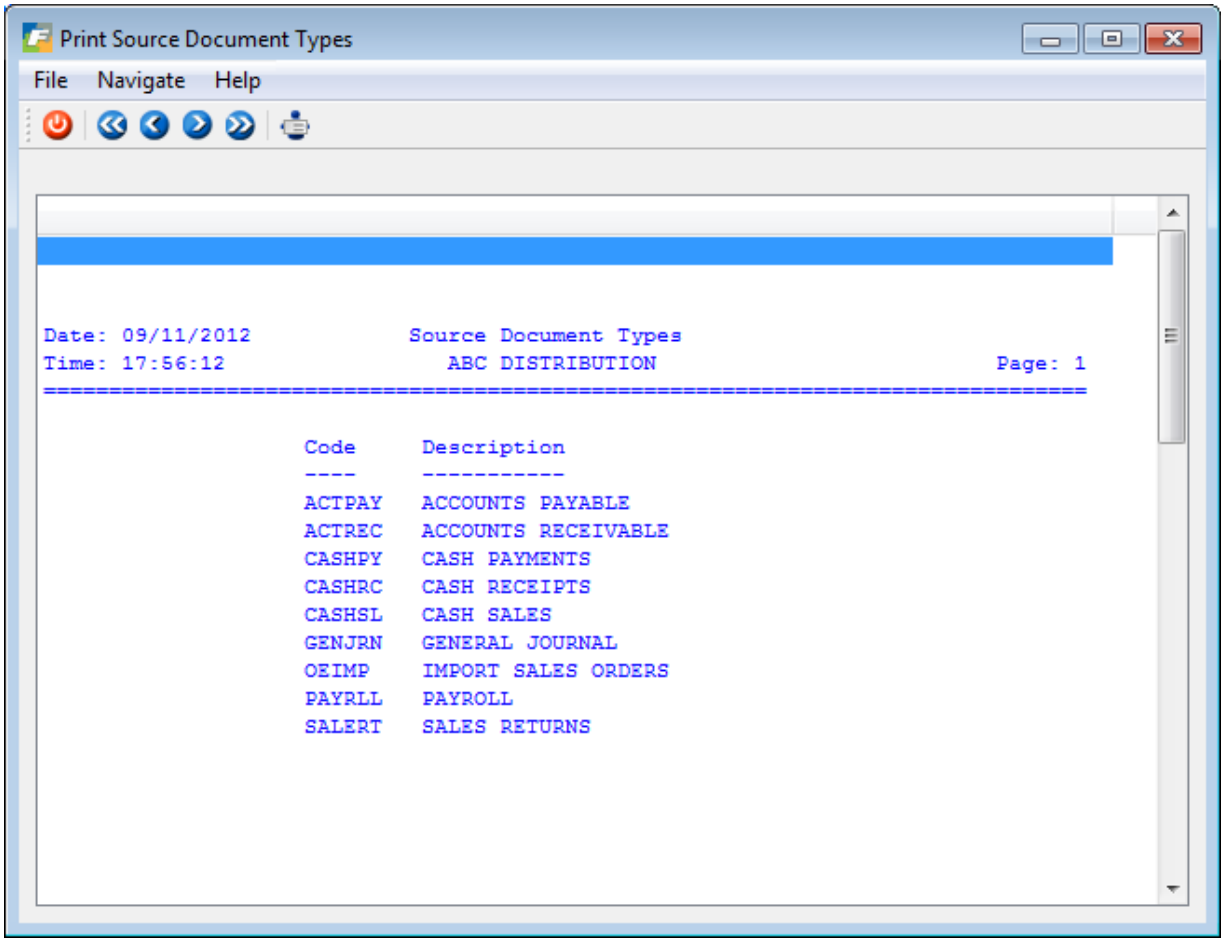
G/L Activity to Ledger Posting List



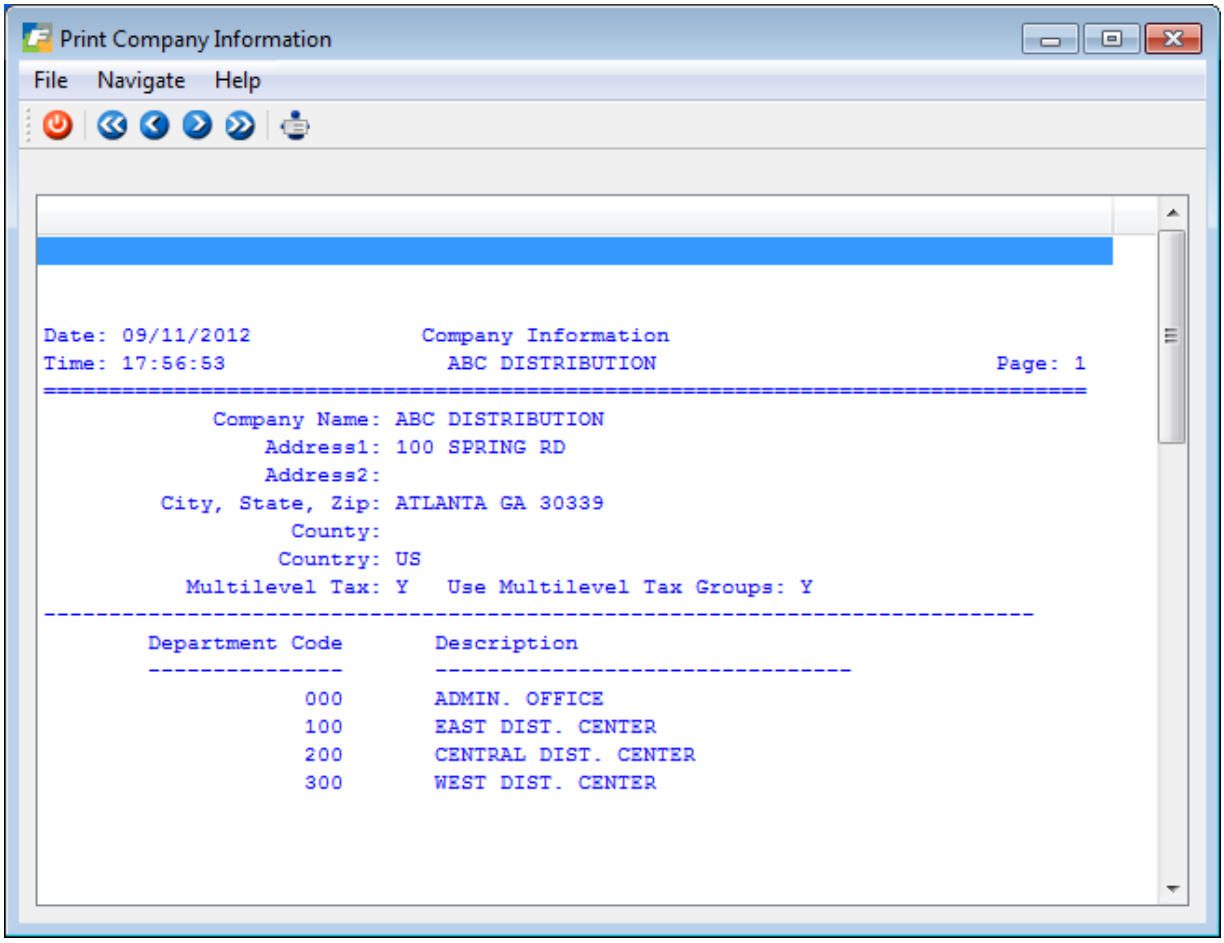
Ledger Defaults Report



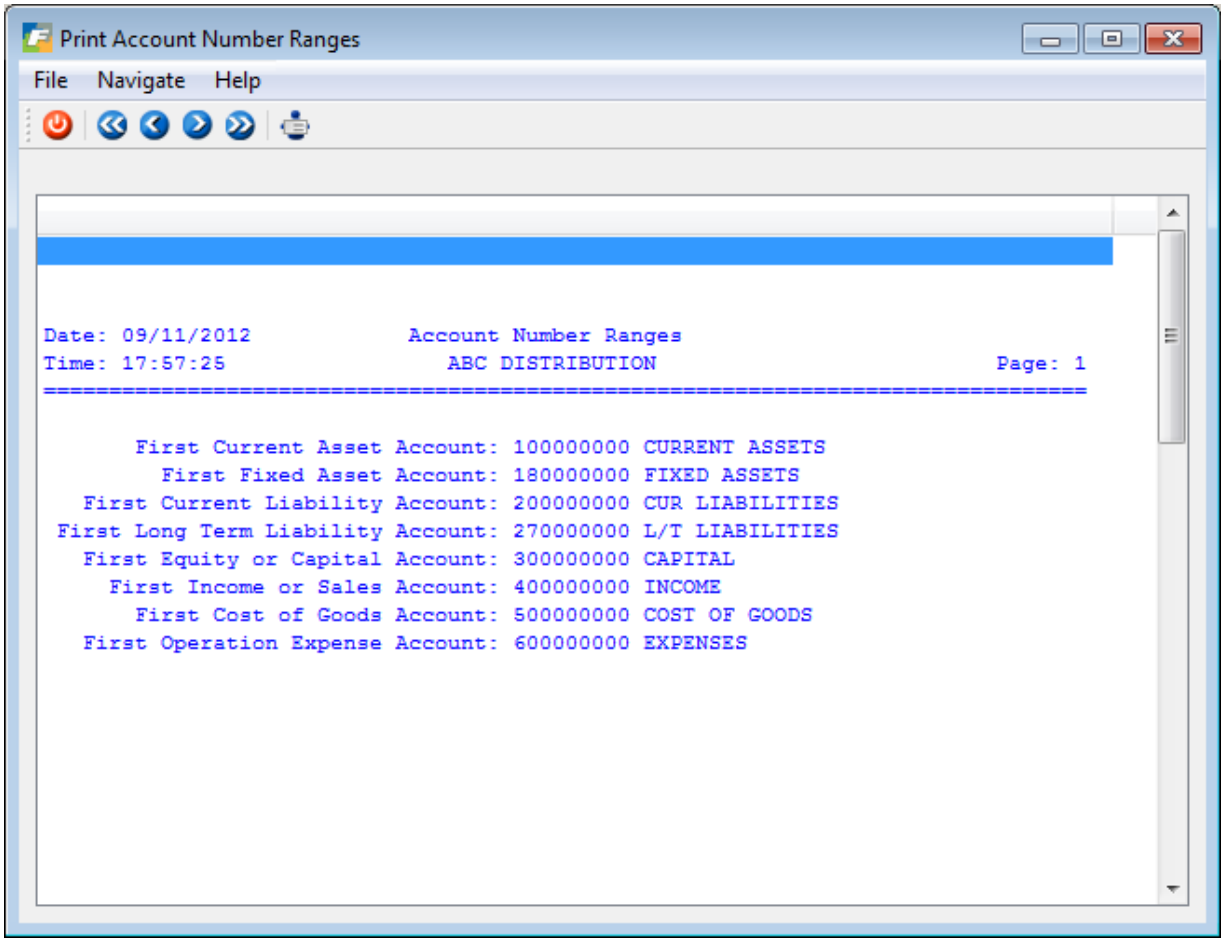
Source Document Types Report



Company Information Report



Account Number Ranges Report



Chapter 12

SQL Queries

- Why SQL Queries are run
- SQL Commands - Select, Order By, Group By

Using SQL

SQL stands for Structured Query Language. It is a standard method for accessing a SQL-compatible database. This section of the manual discusses how to use SQL to gather information from the database.

SQL is used primarily to generate ad hoc reports. SQL front end tools, such as Informix ISQL, allow you to enter and run standard SQL queries with a simple set of commands. Other productivity tools allow you to link data in the SQL database to spreadsheets, word-processing documents, charts, and graphs. As the information in the database changes, the spreadsheet changes automatically.

Before you use SQL report generators or productivity tools, you must know how SQL itself works. Though a particular SQL front-end tool may differ, the basic instruction sets should work in a similar manner. This section introduces you to the basic use of these statements and gives you examples of how they are used in a variety of ways

The examples use General Ledger tables and columns. Since all accounting transactions eventually end up in the General Ledger, it is a common application for SQL queries. The point of this section, however, is to cover the basics of SQL, not to teach you how to create specific queries in individual applications.

SELECT Command

The SELECT statement gets information from the database. There are only six different clauses that control which information this SELECT retrieves. They are called clauses since they describe a part of the overall SELECT command. Only two of these clauses are required for any SQL database query. These commands or clauses are listed and described below.

SELECT: The SELECT clause is the start of all SQL queries. It is required for all information retrieval. It is used to tell the system which information categories or fields—in SQL they are called columns—you want to access.

FROM: The FROM clause is also required for all SQL Selects. It is used to tell the system from which file or table to take the data.

WHERE: The WHERE clause is optional. It lists the selection criteria for the Select statement. It allows you to describe which records you want to see.

ORDER BY: The ORDER BY clause is also optional. It allows you to tell the system in what order to put retrieved records.

GROUP BY: The GROUP BY clause is also optional. It allows you to tell the system how to group records for totals and subtotals.

HAVING: The HAVING clause is also optional. It allows you to tell the system which groups to select.

You can retrieve any type of information from a SQL database with these six clauses. In the next several sections we will cover these commands in more detail.

Using SELECT and FROM

The format for the most basic SQL query is:

```
SELECT column-names FROM table-names
```

In this statement, SQL commands are printed in all capital letters; however, most SQL tools are not case sensitive.

Column-names refers to the names of the actual columns or information categories created in the table. Table-names refers to the database tables that contain the data.

Selecting All Columns

When you don’t want to specify specific column names, you can use the asterisk (*****) to indicate that you want the values in all columns. For example, suppose you want to see all information from a control table. Enter:

```
SELECT * FROM stxcntrc
```

“Stxcntrc is the name of the control table. Typically, there is only one record in this control table and, in this example, the columns in it are company name, address #1, address #2, city, state, zip, county, country, the first current asset account, the first fixed asset account, first current liability account, the first long term liability account, first capital account, the first income account, first cost of goods account, and the first expense account.

In response to this query, the system displays the values associated with each of these columns. The exact format in which this information is displayed differs from system to system.

Selecting Specific Columns

If you just want to see specific columns from a table, enter the names of the columns. For example, if you want just the name and address information from the database, enter:

```
SELECT co_name, addr1, addr2, city, state, zip, county, country
FROM stxcntrc
```

The names used are those that are part of the data dictionary. In order to select specific columns, you must know what they are named in the database. Some SQL query systems provide a display of these column and table names. Typically, however, you must work from printed table definitions. There are SQL queries that allow you to retrieve information about the names of the columns and tables in the database, but they are not covered here.

Notice that the different column names are separated by commas. This is usually required. The last column name does not have a comma after it.

Using Math in the SELECT Statement

You can also include mathematical operations within your SELECT statement. The mathematical operators recognized are:

`+` Addition

`-` Subtraction

`*` Multiplication

`/` Division

Here is an example of addition:

```
SELECT doc_no, amount, amount + 1 FROM stgactvd
```

The result of this query shows the document number, the amount of the transaction, and that amount + 1.

Here is an example of multiplication:

```
SELECT doc_no, amount, amount * .077 FROM stgactvd
```

You do not need to use literal amounts as part of your math. You can use other column names.

```
SELECT doc_no, amount, amount / doc_no FROM stgactvd
```

You can combine multiple mathematical operations (for example, you can multiply, divide, add, and subtract all in the same SELECT statement), and you may combine column names and literals in calculations.

SELECT doc_no, amount, doc_no + amount, amount / 2

```
FROM stgactvd
```

You can also use parentheses to show the order of precedence of mathematical operations.

```
SELECT doc_no, amount / (1 + 2)
FROM stgactvd
```

This expression adds 1 + 2 before dividing this sum into amount.

Selecting Specific Rows: WHERE

The simplest selection statements show all the information in a file or table. However, you may only want to see specific rows (records) that meet a given selection criteria. To make such a selection, use the WHERE clause.

The format for the WHERE clause is:

```
WHERE column-name relational-operator value
```

This may seem a little complicated, but an example should clarify how it is used. For example, Fitrix *Business* uses a table to store all of the accounting detail from the General Ledger system. If you want to see the entries for a particular original journal, use the following statement:

```
SELECT * FROM stgactvd WHERE orig_journal = "AP"
```

The asterisk causes the system to display all columns in this table. The table named stgactvd is the activity data table for the General Ledger system.

In the WHERE clause, you see the name of a column orig_journal, followed by a relational operator = and finished by a value, AP. What this statement means is: list all the columns in the table stgactvd where the column orig_journal contains AP.

In composing this query, you can use any column name in the table.

Relational operators consist of the following:

Symbol Meaning

= Equal To

<> Not Equal To

> Greater Than

< Less Than

>= Greater Than or Equal To

<= Less Than or Equal To

Matching Character Patterns

The keyword MATCHES can be used within the WHERE clause to select rows that contain certain string patterns.

The format is as follows:

```
WHERE column-name MATCHES value
```

In this case, the column name must be a character type column. This means that it must contain characters, not numbers. The value is a pattern of characters and must be enclosed in quotation marks. For example, our previous query of the general ledger activity table could have been stated using the MATCHES keyword like this:

```
SELECT * FROM stgactvd WHERE orig_journal MATCHES "AP"
```

In this example, we require an exact match, which is exactly the same as an = command. The real power of MATCHES comes into play when you use wildcards to find a meaningful character string within a longer character column.

MATCH Wildcards

There are three wildcards:

`*` This matches any set of characters or no characters

`?` This matches any single character.

`[X-Y]` This matches the range of characters indicated.

You can use these wildcards in a variety of ways to select the proper rows from a table. For example, in the General Ledger detail table, there is a column that contains the department code. Note that even though department codes typically consist of digits, it is still a character field, not a numeric field. These codes can be any character string up to three characters long. Use these codes to select line item detail in the variety of ways detailed below:

```
SELECT * FROM stgactvd WHERE department MATCHES "1*"
```

This finds any rows where the department code begins with the character 1.

```
SELECT * FROM stgactvd WHERE department MATCHES "*10*"
```

This finds any rows where the department code contains the character string 10 anywhere within it.

```
SELECT * FROM stgactvd WHERE department MATCHES "?10"
```

This finds any line item where the department contains the characters 10 preceded by any other single character. It does not find a department beginning with 10, but it finds 110, 210 and so on.

```
SELECT * FROM stgactvd WHERE department MATCHES "1[1-5]*"
```

This finds all rows containing department codes that begin with the digit 1, followed by the digits 1 through 5, and then followed by any other characters. This does not find rows where the digits 1 through 5 do not immediately follow the beginning digit 1.

Using AND and OR in the Where Clause

You can make your WHERE clause more complicated by using AND and OR as follows:

- **AND:** Makes the clause more restrictive. In order to be selected, the data must pass all tests joined by the AND clauses.
- **OR:** Makes the clause less restrictive. To be selected, the data only need pass one test or the other. The syntax for the use of AND and OR is:

  ```
  WHERE column_name relational-operator value
  AND column_name relational-operator value
  ```

  or

  ```
  WHERE column_name relational-operator value
  OR column_name relational-operator value
  ```

In the next example, the WHERE clause selects only rows in which the department code begins with the digit 1 and whose document number is greater than one hundred. Rows in which the department code begins with 1 and whose

document number is less than or equal to 100 are not selected. Rows in which the document number is greater than one hundred, but in which the department code does not begin with 1 are also *not* selected.

```
SELECT * FROM stgactvd WHERE department MATCHES "1*"
AND doc_no > 100
```

In the following example, even more documents are selected. All documents in which the department code begins with 1 are selected because they pass the first test. In addition, all documents with numbers greater than one hundred are selected because they pass the second test.

```
SELECT * FROM stgactvd WHERE department MATCHES "1*"
OR doc_no > 100
```

Note

Even though some documents may pass both tests, they are only selected *once*.

Using Multiple ANDs and ORs

You can use AND and OR to join any number of phrases.

```
SELECT * FROM stgactvd WHERE department MATCHES "1*"
AND doc_no > 100
AND orig_journal = "AR"
AND amount > 1000
```

Note

Remember: adding multiple AND statements makes the test more and more restrictive; in order to be selected, the row must meet *all* of these criteria.

You can also use parentheses to group ANDs and ORs.

```
SELECT * FROM stgactvd WHERE (department MATCHES "1*"
AND doc_no > 100) OR (orig_journal = "AR"
AND amount > 1000)
```

In this test, selected records or rows must either have a department code that begins with 1* and a document number greater than 100 or they must have an original journal code of AR and an amount greater than 1000.

Improper Use of AND or OR

Remember the AND and the OR are used to join complete column_name relational-operator value phrases within the WHERE clause. It is *not* used to join separate WHERE clauses or to join values to a single column_name.

Correct:

```
SELECT * FROM stgactvd WHERE department MATCHES "1*"
OR doc_no > 100
```

Incorrect:

```
SELECT...
OR WHERE doc_no > 100
```

Correct:

```
SELECT * FROM stgactvd WHERE department MATCHES "1*"
OR department MATCHES "*1"
```

Incorrect:

```
SELECT...
OR MATCHES "*1"
```

WHERE Using LIKE

LIKE is a keyword that works almost identically to MATCHES. The major difference is that it has different wild cards. Instead of using an asterisk to match characters, a percent sign (%) is used. Instead of question marks to match a single character, an underscore is used.

```
SELECT * FROM stgactvd WHERE department LIKE "1%"
```

This finds all departments that begin with 1 and are followed by any combination of other characters. LIKE can only be used for character columns (letters or digits). The values used must be enclosed with quotation marks.

WHERE Using BETWEEN

You can use the keyword BETWEEN to indicate that you want to select a value between two other values.

```
SELECT * FROM stgactvd WHERE amount BETWEEN 10 AND 40
```

This selects all rows in which the amount column has a value from 10 and 40, inclusive.

When you use BETWEEN, you must use AND, as shown below, to indicate the second set of values.

Correct:

```
SELECT * FROM stgactvd WHERE amount BETWEEN 10 AND 40
```

Incorrect:

```
SELECT... BETWEEN 10 40
```

You also must show the values in the proper order with the smallest value first. The wrong example does not produce an error message, but no rows are selected.

Correct:

```
SELECT * FROM stgactvd WHERE amount BETWEEN 10 AND 40
```

Incorrect:

```
SELECT... BETWEEN 40 AND 10
```

You can also use BETWEEN to specify a range of dates or alphanumeric characters.

```
SELECT * FROM stgactvd WHERE orig_journal
BETWEEN "A" AND "Z"
```

This query selects all documents with an original journal code beginning with a capital letter.

WHERE **Using** IN

Use the keyword IN to compare the value in a column with a list of possible values. You could do the same thing using a series of ORs, but IN makes this somewhat more straight-forward.

The syntax:

```
WHERE column-name IN (list of values)
```

Here is an example of selection from a list of possible values.

```
SELECT * FROM stgactvd
WHERE orig_journal IN ("AR","AP","GJ")
```

This select statement finds any rows which contain AR, AP, or GJ in the original journal code column.

It is the same as the following SELECT statement:

```
SELECT * FROM stgactvd WHERE orig_journal = "AR"
OR orig_journal="AP"
OR orig_journal="GJ"
```

You can see the advantage of using the IN keyword.

Matching NULL Values

SQL discriminates between a column filled with spaces or zero and one filled with a NULL value. A column with a NULL value has never had any values entered into it or has had those values removed. Spaces or the value zero are not considered NULL.

You may wish to identify the values that are NULL when selecting records. For this purpose, you have IS NULL keywords for use with the WHERE clause.

The syntax:

```
WHERE column_name IS NULL
```

For example:

```
SELECT * FROM stgactvd WHERE department IS NULL.
```

This finds all records in the activity table which have no department code associated with them.

Using NOT

With many WHERE statement keywords, you can use the keyword NOT to select records that are *not* matched by your selection criteria. NOT can be used with the following keywords:

- MATCHES
- LIKE
- BETWEEN

- IN
- NULL

For example, if you wanted to find all records with a value NOT NULL in the department column, use the following:

```
SELECT * FROM stgactvd WHERE department IS NOT NULL.
```

finds all the rows with values in the department column

```
SELECT * FROM stgactvd WHERE orig_journal
NOT IN ("AR","AP","GJ")
```

selects all rows that have orig_journal codes that are not equal to AR, AP, or GJ

```
SELECT * FROM stgactvd WHERE department
NOT BETWEEN "A" AND "Z"
```

selects rows whose department codes do not begin with a capital letter

```
SELECT * FROM stgactvd WHERE department NOT MATCHES "1*"
```

selects all rows where the department code does not begin with 1

```
SELECT * FROM stgactvd WHERE department NOT LIKE "1%"
```

selects all rows where the department code does not begin with 1.

Selecting From Multiple Tables

So far, we have shown only SQL queries that take data from one table. Using the WHERE command you can also join two tables together and get related information from them.

For example, in Fitrix General Ledger, the activity table, stgactvd, contains the information about each line item that is posted to the system. It does not contain the basic information about the document, such as when it was created and a general description of the document. This information is in a general reference table for all transactions on the system. This table is called stxtranr.

To see the document date as well as the information about specific line items, select columns from both of these tables and join them together using a WHERE clause so that only the related records are selected.

The syntax for joining multiple tables is:

```
SELECT [table-name].column-name,[table-name.]column-name,...
FROM table1, table2,...
WHERE table1.column-name=table2.column-name
```

The WHERE clause causes the SELECT statement to return only those rows where the specified columns in each table are identical. The table name after the SELECT statement only needs to be used when the column name appears in both tables.

In Fitrix *Business*, the table name must always be used because when two columns carry matching data used for joins, they are named identically. You can see which columns need to be joined in the WHERE clause, by noting which columns in the two tables have the same name.

Here is an example of a query that returns a list of amounts for the individual lines that make up a transaction, selected from the general ledger activity table, along with the corresponding document date and description of the transaction from the general transaction table.

```
SELECT stxtranr.doc_no, doc_date, doc_desc, amount
FROM stxtranr, stgactvd
WHERE stxtranr.orig_journal=stgactvd.orig_journal
AND stxtranr.doc_no = stgactvd.doc_no
```

This selection produces one row for each line that was entered under the Update General Journal option. Each line contains the document number, the document date, the description of the transaction, and the amount posted for that line.

Notice that doc_no after the SELECT is preceded by the table name, stxtranr. This table name is required because doc_no is used as a column in both tables. Their contents are identical, but you need to specify in SQL which table you want to use.

Also notice that we did not have to use the table names for doc_date, doc_desc, and amount. This is because these columns only appear in one table or the other.

Joining More Than Two Tables

You can use any number of tables in a SELECT statement. If more tables are used, you simply extend the WHERE clause to equate columns within each table.

For example, in Fitrix, there is another table that holds information about a transaction. This table is stgtranr and it contains information such as the accounting period and year for the transaction. If you want to see this information for each of your activity lines, extend your query to include this third table.

```
SELECT stxtranr.doc_no, doc_date, doc_desc, acct_period, acct_year, amount
FROM stxtranr, stgactvd, stgtranr
WHERE stxtranr.orig_journal=stgactvd.orig_journal
AND stxtranr.orig_journal=stgtranr.orig_journal
AND stxtranr.doc_no = stgactvd.doc_no
AND stxtranr.doc_no = stgtranr.doc_no
```

Notice that two new columns have been added: acct_period and acct_year. No tables need to be specified for these columns because they occur only in the table stgtranr. Stgtranr has been added to the FROM clause. The AND clauses have also been duplicated to join the columns from stxtranr to the matching ones in stgtranr. The choice of stxtranr for the join in this case was arbitrary since all tables involved contain the same keys. Stgactvd could have just as easily been used. However, this may not always be the case; many joins may take place on columns that are unique to a particular table.

ORDER BY Command

Use the ORDER BY clause to sort the output. It is optional and can be used in conjunction with any other optional clauses.

The syntax:

```
ORDER BY column-name
```

Column-name must be an element in the SELECT list of columns; that is, you cannot ORDER BY a column that has not been selected. For example, to see all of the rows in the General Ledger activity table sorted by document number, use the following command:

```
SELECT * FROM stgactvd ORDER BY doc_no
```

If you want to do the same thing but select only a specific original journal, use the following command:

```
SELECT * FROM stgactvd
WHERE orig_journal = "AR" ORDER BY doc_no
```

Sorting By Multiple Columns

You can create sorts within sorts. For example, if you want to see all order lines organized by original journal, and within each original journal, organized by department number, use the following command:

```
SELECT * FROM stgactvd
ORDER BY orig_journal, doc_no
```

Using Aggregate Functions

There are a number of special functions that perform calculations among the rows selected. These are called aggregate functions because they work on a group of rows. When they are used, you do not see the individual rows themselves, but the results of the operation on all rows or groups of rows.

The aggregate keywords and their functions are:

AVG (column-name) Calculates the average of the column specified for the rows selected.

COUNT (*) Counts the number of rows retrieved by the WHERE clause.

MAX (column-name) Finds the maximum value in the column specified for the rows selected.

MIN (column-name) Finds the minimum value in the column specified for the rows selected.

SUM (column_name) Adds the column specified and totals it for the rows selected.

These aggregate functions are used like column names after the SELECT keyword. They do not subtotal unless you use the GROUP BY clause (explained in the next section).

Correct:

```
SELECT sum(amount) FROM stgactvd WHERE doc_no = 4
```

This query produces the total amount for document 4. It does not, however, show the document number itself.

Incorrect:

```
SELECT doc_no, sum(amount) FROM stgactvd
```

This produces an error requesting a GROUP BY phrase.

GROUP BY Command

This clause gives you subtotals for different groups of rows using aggregate functions. The syntax:

```
SELECT column-list, aggregate-functions FROM table-name
GROUP BY column-list
```

For example:

```
SELECT doc_no, sum(amount) FROM stgactvd
GROUP BY doc_no
```

This produces a list showing each document number and the total for that document next to it.

Note

You must have a GROUP BY clause for each column selected.

Correct:

```
SELECT doc_no, acct_no, sum(amount) FROM stgactvd
GROUP BY doc_no, acct_no
```

This produces a line for each unique combination of a document number and an account number. In other words, you get the sum for document number one, for the first account number, then the sum for document number one, for the second account number, and so on. You do *not* get the sum for a given document number alone.

Incorrect:

```
SELECT...
GROUP BY doc_no
```

This produces a GROUP BY error because you referenced acct_no in the column selection but did not repeat it in the GROUP BY column list.

Appendix A

Forms

The standard Fitrix products have been designed to work with forms manufactured by the Harland Company. These forms can be ordered through the Harland Company, at 1-800-346-5316. Sample forms are also available.

Note: Those forms that have 530 in their number are for Fitrix version 530 and higher.

Screen Number	Screen	Type
4GEN1	Invoice	Continuous
4GEN1-530	Invoice	Continuous
4GEN6	Invoice	Laser
4GEN6-530	Invoice	Laser
4GEN2	Statement	Continuous
4GEN7	Statement	Laser
4GEN3	Pick Ticket	Continuous
4GEN3-530	Pick Ticket	Continuous
4GEN8	Pick Ticket	Laser

4GEN8-530	Pick Ticket	Laser
4GEN5	Payroll Check	Continuous
4GEN10	Payroll Check	Laser
4GEN14	AP Check	Continuous
4GEN19	AP Check	Laser
4GEN11	Purchase Order	Continuous
4GEN12	Purchase Order	Laser
4GEN14	Order Acknowl-edgement	Continuous
4GEN20	Packing List	Continuous
4GEN21	Packing List	Laser
DW2	Double Window	Envelopes
DW73	Double Window	Envelopes

Appendix B

Glossary

Account—An account is a classifying or summarizing device. It represents a category of transactions that a business entity has decided to track. All transactions recorded in a journal are subsequently posted to two or more accounts. A transaction is posted as a debit or credit entry to an account. The difference between the total of all debit entries and the total of all credit entries posted to a single account is referred to as the account's "balance." Depending on the type of account, an account's balance is either increased or decreased by a debit or credit entry (see Debits and Credits).

Account Number—Each account in the Chart of Accounts is identified by a unique number, up to nine digits long. Accounts of a given type usually are grouped by account number. For example, all asset accounts might begin with a "1" followed by up to eight numbers.

Example: a basic Chart of Accounts

Table 1: A Basic Chart of Accounts

Number	Account Description	Type
100000000	CASH ACCOUNT	ASSET
200000000	ACCOUNTS PAYABLE	LIABILITY
300000000	EQUITY	CAPITAL
400000000	PRODUCT SALES	INCOME
500000000	COST OF GOODS	EXPENSE
600000000	GENERAL EXPENSE	EXPENSE

Account Types—There are three basic types of accounts: asset, liability, and capital. Capital is also referred to as owners' equity. Income and expense accounts are a subset of retained earnings, which is a capital account.

Accounting Periods (General Ledger Periods)—Each business transaction is time-sensitive. In this system, a new accounting period is created every time you close out the existing period. You are not limited to any given number of periods during the course of a year. A transaction that takes place in the current year falls into one of these possible periods.

Accrual Method—A method of accounting which records revenues and expenses in the period in which they are earned or incurred and not in the period in which they are received or paid. Compared to the cash method of accounting, the accrual method of accounting is more accurate, but tends to be more complex.

Adding a Row—Adding a row means creating a new row and adding it to the table. For example, when you add a new account to the account table, you are adding a row to that table.

Adjusting Entries—Entries that adjust the balances of ledger accounts. Adjusting entries are usually made for one of two reasons. One reason is to record unrecorded events such as revenue earned but not received. The other reason is to correct accounting errors.

Age—The number of days between the date on a particular document and the "aging date." When processing an aging report, the system prompts for the aging date; the user determines which date to use as an aging date. (See Customer Aging. See also Vendor Aging.)

Alphanumeric field—An alphanumeric field is a field whose entries can consist of any combination of letters and numbers.

Asset Account—Assets are things of value possessed by a business. Cash in a bank account is an asset, as is accounts receivable (the money owed a business by its customers). Assets need not be paid for to be considered assets. Asset accounts are increased by a debit and decreased by a credit.

Audit Trail—The ability to verify and track accounting transactions or ledger balances.

Automatic Reorder—The process of generating purchase orders for inventory items whose quantity falls below the reorder point.

Average Cost—Average cost is a method of calculating the cost of inventory items by averaging the per unit cost of all items currently in stock.

Backorder—If items are out of stock, these items can be put on back order. When the item comes in, it is usually shipped. The backorder document is a modified version of the original sales order and represents an agreement to ship the item as soon as the item becomes available.

Backup—In computer terms, backup refers to the process of copying computer files. These copies are usually made to diskette or tape. File backups are insurance against system failure.

Balance—The balance of an account is equal to the sum of the debit and credit postings to the account. Accounts are in balance if the total debits are equal to the total credits.

Balance Forward Customers—Statements for "balance forward" customers show only the transactions that affect the current period. For balance forward customers, payments are applied to the oldest invoices first. In contrast, "open item" statements show each outstanding invoice, and payments may be applied to a particular invoice.

Balance Sheet—The balance sheet shows the current financial condition of a company. The balance sheet lists assets, liabilities, and capital. It is usually totaled in two main sections. The first section totals assets. The second totals liabilities and capital. Assets must always equal liabilities plus capital.

Blanket Order—This is a large order that is split into more than one shipment, possibly to different locations.

Blanket Release—A blanket release is a document that is a subset of a larger blanket order. It represents a single shipment for an order that comprises multiple shipments.

Capital Accounts—(Also called owners' equity accounts.) These accounts record the difference between what is owned (assets) and what is owed (liabilities). They are also called proprietorship or net worth. Capital accounts are increased by a credit and decreased by a debit.

Cash Method—A method of accounting which records revenues and expenses in the period in which they are received or paid and not in the period in which they are earned or incurred. Compared to the accrual method of accounting, the cash method is less complex and often used by smaller businesses.

Cash Receipt—Money received as payment for goods or services. An A/R cash receipt is a payment that applies to an outstanding invoice. A non-A/R cash receipt is a payment that does not apply to an outstanding invoice. A non-A/R receipt may not even apply to a customer's account.

Cash Receipts Journal—The cash receipts journal is the journal into which all cash receipts activity is recorded, thus affecting the balances of accounts in the receivable ledger.

Chart of Accounts—A "chart" is a list of accounts. A chart of accounts includes all the different accounts used in summarizing the transactions and current condition of a business.

Check Journal/Cash Disbursement Journal—This is the journal into which all cash disbursements activity is recorded, thus affecting the balances of accounts in the payable ledger.

Column—A column is a category slot into which you enter information in a table. For example, if the computer puts "Enter Company:" on the form, the space following the colon is the "column" into which information is entered. This is the "Company" column.

Cost of Goods (COG) Accounts—These are expense accounts; they track the cost of the same products whose revenues are recorded in sales accounts. In other words, these accounts record the cost of those products which the company sells. This cost is recorded at the time of sale. The balance of these accounts is increased with a debit and decreased with a credit.

Count Adjustment Account—This is a balancing account that is posted to when the inventory quantity-on-hand is adjusted—in this case there is no corresponding sale or purchase of inventory.

Count Sheet—This is a list of items and their physical locations in a warehouse(s) to be used by personnel counting inventory.

Credit—The term credit can refer to two different things depending on its usage. If used in reference to ledger accounts, credit refers to an entry that increases or decreases a ledger account. Some accounts are increased by a credit while others are decreased by a credit. How a credit or debit affects the balance of an account depends on the type of account involved. If used in reference to customer accounts, a credit refers to an acknowledgment of payment. When a customer pays you, you credit that customer's account. When you pay a vendor, that vendor credits your account.

Credit Memo—If referring to customer accounts, a credit memo refers to a document notifying a customer that his account has been credited (reduced). When dealing with vendor accounts you enter a credit memo to increase the amount you owe the vendor.

Creditor—A person or company to whom you owe money. Your vendors are creditors when you owe them money.

Current Accounting Period or General Ledger Period—This is the accounting period for which you are currently posting transactions.

Current Assets—Current assets are assets that are normally used up during the operating cycle of a business (usually one year). Cash and inventory are typical examples of current assets.

Customer Accounts—Though not an account in the general ledger sense, a customer account is used to summarize what a given customer owes or is owed at a particular point in time. A customer's account is summarized by a statement.

Customer Activity—Activity refers to any transaction that affects the balance of a customer or ledger account. A summary of activity shows all transactions affecting those balances in the current period.

Customer Aging—The customer aging shows how long any open items have been on the books and how much of a customer's debt falls into various aging categories. Those aging categories reflect progressively more serious levels of overdue payment.

Customer Balance—The customer balance is the amount owed by or owed to a customer. If the customer owes you money, he is said to have a debit balance. If you owe him money, he is said to have a credit balance. A customer balance is the total of his current open items.

Customer Terms—Customer terms are the conditions under which you expect payment from the customer. Customer terms typically include the period of time within which you expect to be paid, any discounts allowed for early payment, and the time frame within which such discounts are allowed.

Database—A database is all the related information within a computer system to which you have access in one form or another.

Debit—The term debit can refer to two different things depending on its usage. If used in reference to ledger accounts, a debit refers to an entry that increases or decreases a ledger account. Some accounts are increased by debits while others are decreased by debits. How a credit or debit affects the balance of an account depends on the type of account involved. If used in reference to customer accounts, when a customer purchases goods from you, you debit that customer's account. When you purchase goods from a vendor, the vendor debits your account.

Debit Memo—If used in reference to a customer account, a debit memo refers to a document notifying the customer that his account has been debited (increased).

Debits and Credits—Each transaction entered into a journal, and eventually posted to the subsidiary and general ledgers, consists of debit and credit entries to two or more accounts. A ledger account balance is the difference between all debit postings to that account and all credit postings. Whether a debit or credit posting to an account increases or decreases the account balance depends on the type of account.

The basic accounting equation is: assets = liabilities + capital. Accounts (assets) on the left side of the accounting equation are increased with a debit. Those on the right side (liabilities and capital) are increased with a credit. Retained earnings is a type of capital account; revenue and expense accounts are a subset of retained earnings. Revenues increase retained earnings, and because capital accounts are increased with a credit, revenue accounts are increased with a credit. Similarly, expense accounts decrease retained earnings and capital accounts are decreased with a debit. Therefore, expense accounts are increased with a debit.

Deleting a Row—Deleting a row is the process of removing it from the computer database after it has been added or updated.

Department Code—A three-character department code identifies which "profit center" an account belongs to. If you are not using profit centers, the default department code is "000." Refer to the entry for Profit Centers for an example of the use of department codes to set up profit centers within a company.

Document—Transactions entered in the Fourth Generation *Business* system are referred to as "documents." Different journals (accounts receivable, accounts payable, for example) may be used to record different types of documents. Documents consist of debit and credit entries to two or more ledger accounts. In order to save a document, that document must be in balance; that is, the total of all debit entries must equal the total of all credit entries.

Drop Ship Order—This is an order that is shipped directly to your customer. The items ordered never enter your warehouse. The items go directly from your vendor to your customer.

Employee Code—Each employee in the Payroll system is identified by a unique six-character code. Although an employee's name and social security number can be used to sort and view data on an employee, the employee code is the key used throughout the Payroll system to uniquely identify an employee.

Employee Type—Each employee in the Payroll system can be associated with an employee type which is identified by a unique six-character code. The employee type provides access to default setup values for the employee, and provides a means for grouping employees.

Expense Accounts—Expense accounts are used to track the cost of doing business. They are a subset of retained earnings (a capital account). At the end of a period of time (usually a year) the difference between the total of all income account balances and the total of all expense account balances is calculated and that balance is transferred to retained earnings. After transferring this figure to retained earnings, the balance of each income and expense account is set to zero. Capital accounts are decreased with a debit. Because expenses decrease capital, expense accounts are increased with a debit.

Field—A field is a data-entry or display area on a form. A field may or may not correspond to what is actually stored in a table in the database.

FIFO—"First-In First-Out"—One of several methods of determining the value of inventory and calculating the cost of goods sold. Using the FIFO method, it is assumed that the "first inventory items in" (the oldest inventory items) are the "first inventory items out" (the first items to be shipped).

Finance Charges—Finance charges are charges made by a vendor against you, or made by you against a customer, for non-payment of an amount due. Finance charges are new charges made against the account because the payment was not made according to the established terms.

Flat Rate—A value applied on a per-payment basis. Unlike a percentage rate, which calculates a specified proportion of an amount, a flat rate ignores the exact value of the amount, treating it as a single payment to which a single unit of the "rate" value is applied. Thus the "calculated" value due to a flat rate is the same each time it is applied.

FOB—FOB stands for "free on board" or "freight on board." The FOB point determines when the title to a product changes hands; that is, it determines at what point the buyer assumes ownership of a product. FOB sometimes—but does not necessarily—affects who pays the freight charges for shipping a product. In some businesses the seller pays freight up to the FOB point and the buyer pays from the FOB point. Similarly, in some businesses the FOB point determines who pays insurance on the shipment.

Form—A form is the template into which information is entered. A form may combine information from several different tables, usually lines of information from a "header" table at the top of the form and several rows from a "detail" table at the bottom.

General Journal—The most basic type of journal in an accounting system is the general journal. It may be the only journal. Transactions which consist of a debit to at least one account and a credit to at least one (different) account are entered in such a journal. Ultimately each transaction is posted from the general journal to a general ledger account.

General Ledger—The general ledger includes each account listed in the chart of accounts, along with debit and credit transaction entries that add up to the account balance.

Income Accounts—These accounts are used to track revenues. Sales accounts, for example, are a type of income account. They are a subset of retained earnings (a capital account). At the end of a period of time (usually a year) the difference between the total of all income account balances and the total of all expense account balances is calculated and that balance is transferred to retained earnings. After transferring this figure to retained earnings, the balance of each income and expense account is set to zero. Capital accounts are increased with a credit and decreased with a debit. Because revenue increases capital, income accounts are increased with a credit.

Income/Deduction/Obligation Codes—Each type of income, deduction, and incurred employer obligation is identified by a unique six-character code. When the income, deduction, or obligation is used in a payroll entry it

is referred to by this code. The code provides access to default values and basic information required to calculate the income, deduction, or obligation amount.

Income Statement—The income statement (also referred to as a "profit and loss" statement) records the changes in equity associated with business operations for a specified period of time. This statement lists the revenues and expenses and the difference between them for a period of time. The difference between revenues and expenses is referred to as a net profit or a net loss.

Inventory Account—This is the current assets account that represents the value of the goods in stock.

Inventory Adjustment Account—This is the ledger account that balances changes made to the inventory account balance that do not result from sales, returns, or purchases.

Inventory Control (I/C)—This is the system for tracking goods stored for sale to customers, including calculation of costs and prices.

Inventory Item—This is a single unit of merchandise from inventory.

Item Code—An item code is a unique alphanumeric string identifying a type of inventory item.

Journal—Journals are used to sequentially record business transactions. Each transaction consists of a debit to at least one account and a credit to at least one (different) account. Journal entries are posted to ledger accounts; therefore, every entry made in a journal ultimately has an effect on the balance of two or more ledger accounts. An accounting system may include multiple journals, each used to record a specific type of transaction. The most basic type of journal is the general journal. In addition there may be an accounts receivable journal, an accounts payable journal, and so on.

Ledger—A ledger consists of a group of accounts and debit and credit entries representing transactions that affect the account balance. A group of accounts is called a ledger. The general ledger includes all accounts listed in the chart of accounts. Subsidiary ledgers comprise subsets of the chart of accounts. The accounts receivable ledger, for example, comprises all customer accounts. The total of all customer account balances equals the balance in the accounts receivable ledger account.

Liability Accounts—Liabilities are debts or anything that is owed. Liability accounts are increased by a credit and decreased by a debit.

LIFO—"Last-In First-Out" is one of several methods of calculating the cost of inventory items. With the LIFO method those inventory items "last in" (most recently purchased) are considered the "first out" (first to be sold).

Open Item Customers—Statements for open item customers show each outstanding invoice and payments are applied to a specific invoice. In contrast, balance forward statements show only the transactions that affect the current period. For balance forward customers, payments are applied to the oldest invoices first.

Open Items—Open items are posted invoices that contain outstanding balances representing amounts owed by customers or due to vendors. A document is considered an open item until that balance is zero.

Order Acknowledgment—An order acknowledgment is a hardcopy version of a sales order. Order acknowledgments may be sent to customers so that they have a record of the sales transaction.

Payable Document—There are four common types of payable documents: a vendor invoice, a cash disbursement, a vendor credit, and a vendor debit.

Payable Ledger—A payable ledger is the ledger that includes all the accounts affected by accounts payable transactions—invoices, cash disbursements, and vendor credits and debits.

Payroll Deduction—A payroll deduction is any amount withheld from an employee's check. For every deduction there is typically an employer liability incurred.

Payroll Document—A payroll document is the complete record of a payroll disbursement. This document includes an employee's gross income, deductions, net income, and employer obligations, as well as the related accounting data for the document.

Payroll Income—Payroll income comprises wages, reimbursements, and cash outlays recorded as part of a payroll entry. Payroll income normally is an operating expense.

Payroll Journal—The payroll journal is the journal into which all payroll activity—paychecks, income, deductions, and employer obligations—is recorded. When posted, this activity affects the balance of accounts in the payroll ledger.

Payroll Ledger—A payroll ledger is the ledger that includes all the accounts affected by posted payroll transactions—paychecks, income, withholding, and incurred obligations.

Payroll Obligation—An employer liability resulting from a payroll transaction, such as withholding federal taxes from an employee's paycheck.

Posting—Posting is the process of transferring transactions (documents) from the journal to the ledger.

Posting Sequence Numbers—All processes which "post" entered data into a storage area for completed documents have reports that feature a posting sequence number. These numbers are used to keep track of reports that should be permanently stored in your records. Each of these reports has its own sequence of posting numbers.

Prepaid Asset—This is an asset that you have paid for, but not yet received.

Profit Center—A "profit center" identifies a part of a company for which profits can be calculated separately. Sales and expenses for that division are designated with a "Department" number.

Table 2: Simple Account Chart with Two Profit Centers

Number	Dept	Account Description	Type
100000000		CASH IN BANK	ASET
200000000		ACCOUNTS PAYABLE	LIABILITY
300000000		EQUITY	CAPITAL
400000000	100	PRODUCT SALES	INCOME
400000000	200	PRODUCT SALES	INCOME
450000000	100	SERVICE SALES	INCOME
450000000	200	SERVICE SALES	INCOME
500000000	100	COST OF GOODS	EXPENSE

500000000	200	COST OF GOODS	EXPENSE
600000000	100	GENERAL EXPENSE	EXPENSE
600000000	200	GENREXPENSE	EXPENSE

Purchase Order—A purchase order represents the purchase of merchandise from a vendor.

Purchasing—The purchasing system is one of several *Fitrix* modules. It provides an automated method for tracking purchases, tracking receiving, and projecting cash requirements.

Receivable Documents—There are four common types of receivable documents: a customer invoice, a customer cash receipt, a customer credit, and a customer debit.

Receivable Journal—The receivable journal is the journal into which all accounts receivable transactions—invoicing, credits, and debits—are recorded. When posted, these transactions affect the balance of accounts in the receivable ledger.

Receivable Ledger—A receivable ledger is the ledger that includes all the accounts affected by accounts receivable transactions—invoices, cash receipts, and customer credits and debits.

Retained Earnings—Retained earnings is the increase in equity that has resulted from profitable operations; net income to date minus dividends to date.

Row—A row is one set of specific information within a table. For example, an account table contains all the information about a single account in an account row. An account table contains as many rows as there are different accounts.

Statement—The customer statement shows the current activity for a given customer. The statement shows outstanding invoices, recent payments, credits, and debits to the customer's account.

Store or Record—Recording or storing a row is the process of saving it in the computer database after it has been added or updated.

Table—A table is where information is stored in a computer. A given table contains only a specific type of information. For example, an account table contains the different sales and expense accounts used by the system.

Transaction—A transaction is an event that is recorded in the accounting records. Typically, such an event involves the transfer of money, product, or services. Each transaction entered in the *Business* system is referred to as a "document."

Trial Balance—This is a work sheet used as a preliminary step to generating a Balance Sheet. The trial balance is a listing of every ledger account, along with its debit and credit balance. The total of all debit balances should equal the total of all credit balances.

Update—Updating a table is the process of changing rows within it. Whenever you change a description in the account table, for example, you are updating a row within that table.

Vendor Accounts—Though not an "account" in the general ledger sense, a vendor account is used to summarize what a vendor is owed at a particular point in time. A vendor's account is summarized by an aging statement.

Vendor Activity—Activity refers to any transaction involving a vendor that affects the balance of a vendor or ledger account. A summary of activity shows all transactions affecting those balances over a specified period of time.

Vendor Aging—A vendor aging report lists outstanding vendor invoices categorized by number of days from the vendor invoice date or due date.

Vendor aging reports can be setup to "age" in two different ways. In the first, an aging report can put outstanding vendor invoices into categories, ranging from those currently due to those past due. With this method, the aging categories reflect ever more serious levels of overdue payment.

In the second, an aging report can arrange outstanding vendor invoices into categories, ranging from those currently due to those that will be due in the future. This report is a projection of cash requirements. In this case, the aging categories reflect amounts due farther in the future.

Vendor Balance—The vendor balance is the amount owed to or owed by a vendor. If you owe a vendor money, the vendor's account has a credit balance. If the vendor owes you money, the vendor's account has a debit balance. A vendor's balance is the sum of all open items pertaining to that vendor.

Vendor Terms—Vendor "terms" are the conditions under which the vendor expects payment from you. Vendor terms typically include the period of time within which you expect to pay that vendor's invoices, any discounts allowed for early payment, and the time frame within which such discounts are allowed.

Index

U