

GENERAL LEDGER

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Introduction to the TRC General Ledger

Unlike some other accounting packages, the TRC General Ledger module is designed for flexibility and ease of use in a multi-store environment. It is based on 24 open periods covering two fiscal years, unlike other systems which use only a single fiscal year. In addition, it allows the setup of cost centers within a GL code, which may be used to identify different departments within a store, or different stores within a multi-store scenario. These cost centers can then be reported in summary or in detail, and a separate financial statement made up for each cost center. The GL codes shown in this manual are made up of {GL Account} – {Cost Center}; thus, 1200-000, 1200-100, 1200-200, etc.

A general ledger system is divided up into five groups of accounts: Assets, Liabilities, Equity, Income, and Expenses. A sample layout within the TRC General Ledger module is shown below. Typically, the requirements of a business General Ledger setup will be determined by the company accountant.

Description	Start Number	End Number
Current Assets	1000-000	1999-999
Fixed Assets	2000-000	2899-999
Other Assets	2900-000	2999-999
Current Liabilities	3000-000	3999-999
Long Term Debt	4000-000	4999-999
Share Capital	5000-000	5799-999
Equity	5800-000	5999-999
Income (Sales)	6000-000	6999-999
Cost of Goods Sold	7000-000	7999-999
Expenses	8000-000	8999-999
Other Income	9000-000	9999-999

Table 1 Sample GL Codes Ranges

General Ledger accounts can also be set to be specially designated, or protected. These accounts have specific properties associated with them. Examples of the types of protected accounts are: Bank, Accounts Receivable, Accounts Payable, and Reserved for Accounting (the latter allows the identification of the Current and Retained Earnings accounts).

NOTE: It is possible to use other accounting packages with *The Retail Controller*. See Use of Other Accounting Packages at the end of this document.

General Ledger Setup

General Ledger setup begin a the GL System Control Menu, located at plate letters **BHCB** or vocabulary reference **GLCON**. From the programs available in this menu all the setup

information to start the GL may be made. This includes entering basic data for establishing GL accounts, period dates and opening balances. Entry to this menu will display a screen as depicted below.

```

THE CONTROLLER SERIES SOFTWARE by Mainframe Associates (800) 845-5445
BHCb                                     ARNOLD 4.5.17
      GL CONTROL Menu

F1 a Exit                               sF1 k Set Balance Sheet Range
F2 b TIME Period Management            sF2 l GL Flag Setup Menu
F3 c GL CODE Entry                     sF3 m GL Prior Year Setup
F4 d Protect GL Account                 sF4 n BUDGET Maintenance Menu
F5 e Print GL CHART of Accounts         sF5 o Bankrec Opening Setup
F6 f COST Centre Creation
F7 g GL Opening Balance Entry
F8 h GL Opening Balance Edit List
F9 i GL Opening Balance Post
F10 j Set Income Statement Range

Please select an option: [      ]

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```

GL Control Menu, GLCON or BHCb

The information included here will detail the setup of the General Ledger in the order that it needs to be done. The first step requires that Flag 500 (**BHCBLB** on the menu) be set to M. If this is not done, the remainder of the GL setup will be inaccessible.

Subsequent steps are:

1. Time Period Management,
2. Cost Center Creation,
3. GL Code/Account Entry,
4. Protected GL Accounts,
5. Setup of the GL Flags, and
6. Setup of the GL-POS Interface.

The remainder of the setup process can be done in any order.

Time Period Management

Plate Letters: **BHCBB**

The General Ledger module is designed to run on a 24 monthly period basis, allowing GL entries in the current fiscal year, as well as the previous fiscal year. Note: it is generally poor business practice to post into the previous fiscal year, with the exception being for GL End-of-Year adjustments as determined by the company accountant.

The system requires initial input of the period dates before any transactions may be processed. It is therefore essential that dates be entered here before any other data is input. In period 1, enter the first day and the last day of the first period that begins your company's fiscal year. The remainder of the periods will be filled automatically based on the date range of the first period. Note that the periods created need not be the first to last day of a calendar month.

When the periods have been entered, enter the period number of the current fiscal period. Press F10 to save when complete.

Below is a representation of the Period Entry Screen after period dates have been entered:

```

BHCBB          General Ledger Period Setup Screen          7.3.0.016

Period  Start          End          Period  Start          End
 1.  [09/01/2005]      [09/30/2005]  13.  [09/01/2006]      [09/30/2006]
 2.  [10/01/2005]      [10/31/2005]  14.  [10/01/2006]      [10/31/2006]
 3.  [11/01/2005]      [11/30/2005]  15.  [11/01/2006]      [11/30/2006]
 4.  [12/01/2005]      [12/31/2005]  16.  [12/01/2006]      [12/31/2006]
 5.  [01/01/2006]      [01/31/2006]  17.  [01/01/2007]      [01/31/2007]
 6.  [02/01/2006]      [02/28/2006]  18.  [02/01/2007]      [02/28/2007]
 7.  [03/01/2006]      [03/31/2006]  19.  [03/01/2007]      [03/31/2007]
 8.  [04/01/2006]      [04/30/2006]  20.  [04/01/2007]      [04/30/2007]
 9.  [05/01/2006]      [05/31/2006]  21.  [05/01/2007]      [05/31/2007]
10.  [06/01/2006]      [06/30/2006]  22.  [06/01/2007]      [06/30/2007]
11.  [07/01/2006]      [07/31/2006]  23.  [07/01/2007]      [07/31/2007]
12.  [08/01/2006]      [08/31/2006]  24.  [08/01/2007]      [08/31/2007]

                25. Current Period [10]

                Enter period to modify [ ]

Enter period number, or <ENTER> to Save, ...

F1      F2      F3      F4      F5      F6      F7      F8      F9      F10
Exit                                         ChangeYE                                         Save

```

Time Period Setup, BHCBB

If changes need to be made, re-open the Period Setup screen to display all the dates and the period numbers as last entered. The cursor will appear at the command line. Enter 1 in the change [] option to change period dates, or enter 25 to change the current period. In both cases press <ENTER> to record new input and, at the command line, press <enter> again to save changes.

When a change is made to the Period 1 Start and End dates, the remaining periods are recalculated. Similarly, any change to an End date will affect the following periods' end dates.

This routine also allows the user to change the start of the fiscal year after the business has been in operation (F9 Change YE). This can only be done at certain times during the year, since it requires that the current fiscal year be shortened. It is recommended that you contact Mainframe Associates for advice on this procedure.

Cost center Creation

Plate Letters: **BHCBF**

Vocabulary Reference: **COST**

This option allows for the creation of user defined cost centers. Cost Centers may be used to subdivide a GL Account so that it can appear on a financial statement either in summary, in one or more groupings, or in detail. For example, the inventory asset account could be subdivided into various departments, and these can be joined into a number of groups. The Balance Sheet can show a single line for the Inventory (a sum of all cost centers), a line for each of the groups (summed over each cost center in that group), or a line for each cost center within the Inventory.

Enter the cost center code you wish to assign (maximum 3 digits, dependant on the setting of Flag 282). Enter the description of the cost center. Enter a group number (1 – 9) for this cost center. If there is not to be any grouping, enter a group number of 1 for each cost center.

Select ↵ to save, <F4> to delete or <F1> to cancel.

NOTE: This is not a required procedure. If no cost centers are to be defined, this step can be skipped. Cost centers can be added later as needed. However, if cost centers are to be used, they need to be set up before proceeding onto the next step.

GL Code Entry, Setup, and Maintenance

Plate Letters: **BHCBC**

Vocabulary Reference: **GLCODE**

Select this option to enter, modify or delete General Ledger codes. This program may also be accessed from **The Controller Series** Accounts Payable Module, if installed. The design of the GL code is user defined to a maximum of 8 characters, with a flexible format of {GL Account}-{Cost Center}. Depending on the setting of Flag 282 (**F282** on the menu), a typical GL account may be 1130-000 or 11300-00 or 110030-0, depending on the requirements of the business. There is no limitation to the account numbers used, other than the general layout as described in the Introduction above.

GL Account Code Start [1000-000]		End [9999-100]	
GL Code	Description	Start Bal.	YTD Total
1000-000	Cash Clearing	3405807.05	4504112.68
1010-000	Petty Cash	-3363.42	-3357.44
1013-000	Main Bank	-7225.61	-10107562.53
1014-000	Misc stuff		-524.64
1100-000	Current Investment	0.00	3.47
1130-000	Accounts Receivable	2447173.86	2458564.62
1131-000	AR Discounts	350.00	538.93
1140-000	Allowance for Doubtful Accounts	0.00	0.00
1176-000	A/R Miscel	0.00	0.00
1200-000	Travel Advances Recoverable	71.73	69.93
1360-000	Prepaid expense/security deposit	0.00	0.00
1365-000	Prepaid Postage	0.00	0.00
1440-000	Inventory Lumber	-2637620.81	-2585879.20

Select a GL Account to modify, ...

Protlist

F1 Cancel F2 F3 F4 F5 Save F6 ViewProt F7 F8 Protect F9 F10

GL Account Maintenance, BHCBC or GLCODE

The program is designed to allow entry of new accounts, amendments and deletion of existing accounts and display of account opening and current (YTD) balances. The requirements for each part of the screen are described below.

GL Code Start: This field and the 'End' field are used for setting a range of accounts to be displayed. If a display of accounts is not required press the ↓ key to bypass this section. To display a range of accounts, enter the first (lowest) GL code of the range, or enter an asterisk (*) to display all accounts. To choose an account from the lookup, press <F9>.

End: Enter the last (highest) code of the range of accounts. To choose an account from the lookup screen, press <F9>. Enter a code higher than the start code and the program displays all the accounts with codes in the range selected. The cursor is positioned on the first code displayed. If no codes are found within the range the cursor is positioned ready for entering individual codes.

GL Code: If the program is being used to *display* accounts, and some have been found within the range specified, the ↑ ↓ arrow keys and the page-up and page-down keys may be used to view any accounts above or below those currently on display.

Description: Enter a description for a new account or over-type an existing description. The maximum length of this field is 45 characters.

The following function keys will be available.

F1: Cancel – exit without saving any changes made. Returns to the Starting GL code selection field.

- F5:** Save – save all changes made. Returns to the Starting GL code selection field.
- F6:** ViewProt/ViewBal – this is a toggle that switches back and forth between the display of protected GL accounts and the starting and YTD balances.
- sF6:** ProtList – displays a list of the currently defined protected GL accounts.
- F8:** Protect – allows a manager level clerk to toggle the protected account status. If turning it on, the clerk will be asked to identify the type of protected account. If a Bank Account is selected, the user will be asked to provide the next cheque number, the balance and the date of the last statement. Note: a GL account must be protected as a Bank Account in order to use the account reconciliation feature. GL Account protection can also be maintained at BHCBD on the menu.

Protect General Ledger Accounts

Plate Letters: **BHCBD**

A protection facility exists to prevent general access to some GL accounts that should not be accessed via regular journals (such as sub-ledger control accounts). By selecting accounts in this protection program, any attempt to create entries to them with the Journal Entry, GL Repeating Journal Entry or AP Invoice Entry programs will be rejected. Removing the protection from an account will allow regular entries to be made to that account. Accounts may be protected and released as many times as necessary.

Selection of the Protect GL Account program will display:

```

BHCBD                               GL Code Protection Screen                               7.3.0.017

      GL Code Start [1000-000]           End [9999-100]

GL Code           Description           Protected Type
-----
1000-000         Cash Clearing
1010-000         Petty Cash
1013-000         Main Bank                               Bank - 001217
1014-000         Misc stuff                               Bank - 001195
1100-000         Current Investment
1130-000         Accounts Receivable                       A/R
1131-000         AR Discounts
1140-000         Allowance for Doubtful Accounts
1176-000         A/R Miscel
1200-000         Travel Advances Recoverable
1360-000         Prepaid expense/security deposit
1365-000         Prepaid Postage

Toggle protected GL accounts with <ENTER>, Page Up/Down to view,...

F1  F2  F3  F4  F5  F6  F7  F8  F9  F10
ReStart                               ProtList                               Lookup Save

GL Account Protection, BHCBD
  
```

GL Code Start: To display a *range* of GL accounts, enter the first GL code in the range. To choose an account from the lookup, press <F9>. To display all accounts enter an asterisk (*) - the cursor will bypass the end field. To enter GL codes *singly*, in the 'GL CODE' field as described below, press the ↵ key on a blank entry field - the cursor will bypass the END field.

End: Enter the last GL code for the range to be displayed. To choose an account from the lookup, press <F9>. Press the F1 key to return to the GL CODE START field.

Use the ↑ ↓ arrow keys or page-up page-down keys to *select a displayed account* for protection. When the relevant account code is highlighted press the ↵ key to protect it. The description field will be highlighted; indicating the account will be protected once the entries are saved with the F5 key.

To *select an account not on display*, enter the account code on a blank line, or press the F9 key to display a list of all GL accounts. If the account is within a range previously entered, the program will redisplay accounts placing the cursor on the relevant account code. If the account is not within a range previously entered (or no range was entered), the account will be displayed.

To *remove protection* from an account, place the cursor on the relevant highlighted account line and press the ↵ key. The highlight on the description field will be removed; indicating the protection will be removed once the entries are saved with the F5 key.

To *save all the changes* made to protect accounts or remove protection from previously protected accounts, press the F5 key.

Note: Amendments made in this program will have no effect until the F5 key is pressed.

To exit the program without saving changes, press the F1 key.

Setting GL Flags

There are many different flags that can be set to properly use the GL system. There are three different options that the user may select for accounting purposes. These are to use the accounting system provided with the TRC software, an unsupported accounting system called PROCOMM, or to use a third-party accounting system (for example, QuickBooks or Simply Accounting). The TRC accounting module is the only one of the three that is fully integrated into the TRC software – this is the recommended method to use.

The descriptions and setup below are described assuming that the TRC accounting module is in use, in other words, if Flag 500 (**BHCBLB**) is set to M.

GL Flags	Description	Plate
130	GL Cash Account	F130
139	Clearing GL Account for Sales	F139

140	Clearing GL Account for COGS	F140
141	Clearing GL Account for Inventory	F141
143	Current Earnings (GL Equity Account)	F143
144	Default Accounts Receivable (GL Asset Account)	F144
145	Retained Earnings (GL Equity Account)	F145
146	GST on Payables (GL Liability Account)	F146
147	Default Accounts Payable (GL Liability Account)	F147
148	Discounts on Accounts Payables (GL Account)	F148
150	Duty on Sales (GL Liability Account)	F150
151	Environmental Tax (GL Liability Account)	F151
250	Default GL Suspense (Miscellaneous) Account	F250
282	Mask for format of cost centers in GL Account (0000 for 000-0000, 000 for 0000-000, etc)	F282
465	Default expense account for non-discount Accounts Payable in Supplier Invoices	F465
478	Create GL records when transferring inventory	F478
500	Accounting system in use: M = TRC, Y = PROCOMM, T = 3 rd Party Accounting	BHCBLB
501	Y/N – Interface POS with the GL at EOD, and Y/N to use line code GL accounts rather than by Department	BHCBLC
502	1 st GL Account Range for Summary Reporting	BHCBLD
503	2 nd GL Account Range for Summary Reporting	BHCBLE
504	3 rd GL Account Range for Summary Reporting	BHCBLF
505	4 th GL Account Range for Summary Reporting	BHCBLG
506	5 th GL Account Range for Summary Reporting	BHCBLH
507	GL Account number length if flag 500 = T	
514	GL for inventory in transit (inventory transfers not received – flag 478 = Y)	BHCBLI
515	GL for in transit suspense (inventory transfers not received – flag 478 = Y)	BHCBLJ
517	Expense GL account for inventory transfer cost increases	BHCBLK
518	Income GL account for inventory transfer cost increases	BHCBLL

Flags 500 to 518 can all be setup from the **BHCBL** GL Flag Setup Menu.

```

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BHCBL                                     ARNOLD 4.5.17
                                     GL Flag Setup Menu

F1 a Exit                                sF1 k Set GL Expense for Over-ride
F2 b Set GL-AP Control Flag              sF2 l Set GL Income for Over-ride
F3 c Set GL-AP POS Interface Flag
F4 d Set GL Range(1) for Detail
F5 e Set GL Range(2) for Detail
F6 f Set GL Range(3) for Detail
F7 g Set GL Range(4) for Detail
F8 h Set GL Range(5) for Detail
F9 i Set GL for Inv in Transit
F10 j Set GL for Transit Suspense

Please select an option: [      ]

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GL Flag Setup Menu, BHCBL

Setting GL Range for Detail

When importing data from the Point of Sale (cash and Accounts Receivable sales, Cash Receipts Journal, etc.) and/or the Accounts Payable system (Purchase Journal, Cash Disbursements]) to the General Ledger, the user may elect to post this data in detail format, summary format or a blend of both. Five flags are provided to set ranges of GL accounts to be posted in detail format when a blend of detail and summary postings are desired. The data entered in the “Set GL Range” will be called up in the Interface Menu when the user elects not to post all General Ledger Accounts in detail. When doing an interface the user may override the defaults entered into the “Set GL Range”. These flags may be accessed with plate letters: **BHCBLD** to **BHCBLH**.

Note: When posting to the General Ledger, **all** postings are in detail to support proper audit tracking. The above selection is, instead, used for reports on the postings. For example, suppose postings to the Cash Clearing account is to be posted in summary. While the individual cash transactions are posted in detail, the reports will include only a single line for this posting to the Cash Clearing account. In other words, **the report** will be in summary.

For audit purposes, the General Ledger can also be reported in full detail – see option BHCHB GL Trial Balance below.

Creating the Point of Sale – General Ledger Interface

In order for Point of Sale to interface with the General Ledger module, the appropriate GL account codes must be entered into the POS module. The following outlines where GL code input is required – this is in addition to the flags listed above.

- 1) Flag 501 (**BHCBLC** on the menu) must be set to Y (determine GL codes by department) or YY (determine GL codes by line).
- 2a) For use when Flag 501 = Y. At plate letters **BBIB** (Department Codes), enter the corresponding GL code for Sales, Cost of Goods, and Inventory for each department (fields 1, 2, and 3).
- 2b) For use when Flag 501 = YY. At plate letters **BBE** (Line Codes), enter the corresponding GL code for Sales, Cost of Goods, and Inventory for each department (fields 5, 6, and 7).
- 3) At plate letters **BDCIB** (Tender Codes) enter the corresponding GL code for each type of accepted form of payment (field 11, and field 10 must be set to Y, R, or B).

Print GL Chart of Accounts

Plate Letters: **BHCBE**

The Chart of Accounts program will print a list of all GL account codes and their descriptions, as setup on the system. Selection of the program will prompt for:

Do You Wish To Continue: Enter Y or the ↵ key to print the report. Enter N or press F1 to exit.

Setting Income Statement Range

Plate: **BHCBJ**

Use this option to set the Income Statement Range, i.e., the layout of your Income Statement. The GL codes entered must be previously set up. The range of accounts must include all the Income Statement GL accounts (revenue and expense).

The headings have default descriptions that may be changed, but the totaling operations remain fixed. Heading 1 is meant for Income, heading 2 is for Total Income. The word Sales may be changed to Revenue or Income and the Total description changed accordingly. The basic function, Income or Expense, may not be changed. Each total description will always be associated with the preceding specified GL account range. Ranges cannot be entered in the “Total” heading lines.

- Line 2 is the total of the line 1 account range

- Line 4 is the total of the line 3 account range
- Line 5 is the total of line 2 minus line 4
- Line 7 is the total of the line 6 account range
- Line 8 is the total of line 5 minus line 7
- Line 10 is the total of the line 9 account range
- Line 11 is the total of line 8 minus line 10
- Line 13 is the total of the line 12 account range
- Line 14 is the total of line 11 plus line 13

The codes for the Income Statement settings must not include any codes within the Balance Sheet settings. The sub-groups must not include any codes within another sub-group. The code numbers for each sub-group range must be higher than the previous sub-group range.

The end of the previous range and the start of the next range may not overlap, but may have a gap to reserve codes for future use. Any GL codes that exist in the 'gaps' will not be used to print the Income Statement.

Below is an example of a completed Income Statement Setup Screen.

BHCBJ			Income Statement Setup and Maintenance		7.3.0.017
Section Heading		Start Range	End Range		
1. [Sales Income	]	[4000-000]	[4999-000]		
2. [Total Sales Income]				
3. [Cost of Goods Sold	]	[5000-000]	[5999-000]		
4. [Total Cost of Goods Sold]				
5. [Gross Margin]				
6. [Direct Expenses	]	[6000-000]	[7179-000]		
7. [Total Direct Expenses]				
8. [Profit Before Other Expenses]				
9. [Other Expenses	]	[7180-000]	[8999-000]		
10. [Total Other Expenses]				
11. [Profit Before Other Income]				
12. [Other Income	]	[9000-000]	[9999-000]		
13. [Total Other Income]				
14. [Income(loss) for Period]				

Field to modify? []

Enter field to modify, <ENTER> to Save or <F1> to Exit,...

F1 F2 F3 F4 F5 F6 F7 F8 F9 F10

Exit

Income Statement Setup, BHCBJ

Once the ranges have been entered, press 'Enter' to save.

Setting Balance Sheet Range

Plate: **BHCBK**

Use this option to setup the Balance Sheet range. The ranges entered are GL codes that have been previously set up. The range of accounts must include all Balance Sheet GL accounts (assets, liabilities, and equity).

The codes for the Balance Sheet range must not include any codes within Income Statement settings. The sub-groups in the Balance Sheet must not include any codes within another sub-group. The code numbers for each sub-group range must be higher than the previous sub-group. The end of the previous range and the start of the next range may not overlap, but may have a gap to reserve codes for future use. Any GL codes that exist in the 'gaps' will not be used to print the Balance Sheet.

Ranges cannot be entered on the 'Total' heading lines.

- Line 2 is the total of the line 1 account range
- Line 4 is the total of the line 3 account range
- Line 6 is the total of the line 5 account range
- Line 7 is the total of lines 2, 4, and 6
- Line 9 is the total of the line 8 account range
- Line 11 is the total of the line 10 account range
- Line 13 is the total of the line 12 account range
- Line 15 is the total of the line 14 account range
- Line 16 is the income from line 14 on the Income Statement
- Line 17 is the total of lines 9, 11, 13, 15, and 16

Below is an example of a completed Balance Sheet Setup screen.

BHCBK		Balance Sheet Setup		7.3.1	
Heading		Start Range		End Range	
1. [CURRENT ASSETS	]	[1000-000]		[1699-000]	
2. [Total Current Assets]				
3. [FIXED ASSETS	]	[1700-000]		[1875-000]	
4. [Total Fixed Assets]				
5. [OTHER ASSETS]	[]	[]
6. [Total Other Assets]				
7. [TOTAL ASSETS]				
8. [CURRENT LIABILITIES	]	[2000-000]		[2599-000]	
9. [Total Current Liabilities]				
10. [LONG TERM LIABILITIES	]	[2600-000]		[2699-000]	
11. [Total Long Term Liabilities]				
12. [OTHER LIABILITIES	]	[2700-000]		[2999-000]	
13. [Total Other Liabilities]				
14. [SHARE CAPITAL	]	[3000-000]		[3999-000]	
15. [Total Share Capital]				
16. [RETAINED EARNINGS]				
17. [Total Liabilities]				

Item number to modify []

Enter item number, <ENTER> to Save or <F1> to Exit,...

Balance Sheet Setup, BHCBK

Once the ranges have been entered, press 'Enter' to save.

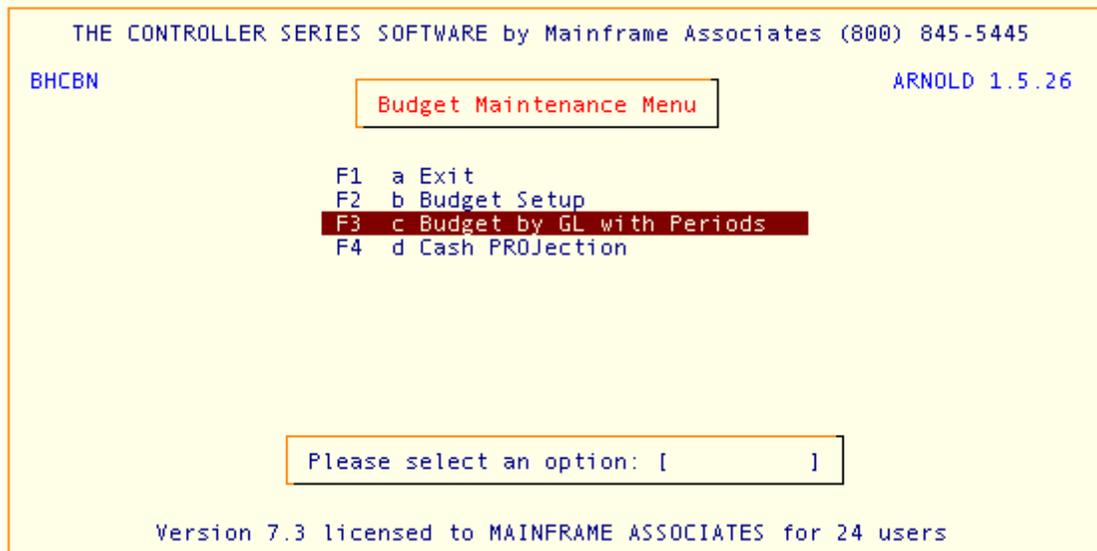
General Ledger Prior Year Setup

Plate Letters: **BHCBS**

Select this option if you wish to set up the prior year's General Ledger account balances by period. Enter the GL code or press <F9> to choose an account from the lookup. Setting up the prior year's balances period by period is necessary when setting up your system, if you wish to run comparative reports showing data from the *current* year's periods (compiled by The Controller Software) compared to the *previous* year's periods (before you were using The Controller Series)

Budget Maintenance

The **Budget Maintenance Menu** is located at plate letters **BHCBN**. The budget options are explained in this section.



Budget Maintenance Menu, BHCBN

Budget Setup

Plate Letters: **BHCBNB**

Select this option if you wish to set up the current year's budget values for each General Ledger account. Enter the GL code or press <F9> to choose an account from the lookup.

Budget by GL with Periods

Plate Letters: **BHCBNC**

This is a report of the budget created using option BHCBNB above for a single GL account and for each of the twelve periods.

Cash Projection

Plate Letters: **BHCBND**

This option will allow the user to set the parameters necessary to generate a realistic cash flow projection. A completed set of options is show below.

BHCBD		Cash Flow Projection Report		7.4.1	
1. Opening balance	[2500.00]				
2. Clerk Number (or *)	[*]				
3. Include A/R	[Y]	4. Average delay & bad debt percentage			
5. Include A/P	[Y]	6. Average delay	[20]		
7. Include quotes	[N]	8. Quote percentage	[]		
9. Include orders	[Y]	10. Cdn to US Exch. Rate	[1.0000]		
11. Dept code (or *)	[*]				
12. Stop date	[01/05/2007]				
13. Detail or summary	[S] Summary report				
14. Include Exp/Net Value	Y/N [Y]				

Modify field []

Select field to modify, <F10> to print, or <F1> Exit,...

F1	F2	F3	F4	F5	F6	F7	F8	F9	F10
Exit									Print

Cash Projection, BHCBD

- Opening Balance:** Enter the opening balance of cash on hand.
- Clerk Number:** Enter a valid clerk number or '*' or ↵ to default to include all clerks' quotes to be calculated in the cash flow projections.
- Include A/R:** Enter 'Y' or ↵ to default to yes, or 'N' for no. Including A/R will include all invoices not yet posted to the system by the overnight routines, including accounts receivable.
- Average Delay and Bad Debt Percentage:** Enter the average days it takes to collect accounts receivable invoices according to aging period. The default is 45 days.
For each aging period, enter the assumed bad debt percentage on accounts receivable invoices. The default is 5 percent.
- Include A/P:** Enter 'Y' or ↵ to default to yes or 'N' for no. Including payables will calculate all payables currently in the system on the cash flow report.
- Average Delay:** Enter the assumed delay in payment of accounts payable invoices. Default is 20 days.
- Include Quotes:** Enter 'Y' or ↵ to default to yes or 'N' for no. Including quotes will include all quotes using their impact date currently in the system on the cash flow report.
- Quote Percentage:** Enter the assumed percentage of sales that will be generated from quotes that are currently in the system. Default is 20 percent.

- Include Orders:** Enter 'Y' or ↵ to default to yes or 'N' for no. Including orders will include all sales orders currently in the system on the cash flow report.
- CDN to US Exch Rate:** Set an exchange rate to use for customers and suppliers that are processed in a foreign currency.
- Department Code Or * :** Enter a valid department code or '*' or ↵ to default to all departments.
- Stop Date:** Enter the date MM/DD/YY you wish the report to calculate the cash flow projection to.
- Detail or Summary:** Enter 'D' for detail or 'S' for summary. The default is in summary.
- Include Exp/Net Value:** If the report format is selected as in Detail, then selecting Y here will show the Expenses and Net Value on the report, otherwise only revenues are shown.

Once the options are chosen, select F10 Print to output the report.

Entering General Ledger Opening Balances

Opening balances are entered using plate letters **BHCBG**. The balances entered should be the closing balances from your prior year's Balance Sheet. The program generates Journals with entries going to an 'Opening Balance Period' that is in the system prior to period 1. As the entries are a journal, the total debits must equal the total credits so that the GL is kept in balance. Opening balances require only one entry per account. Any attempt to use an account a second time will either return the cursor to that code if it has already been used in the current batch, or print a warning and clear the code entered if the code entered if the code was used in a previous batch.

BHCBG		General Ledger Opening Balance Entry		7.3.2.008
GL Acct. Name:		Balance:	0.00	
GL Code	Debit	Credit	Reference	
1000-000		50.00	setup	
2000-000	50.00		setup	
3000-000	10.00		setup	
4000-000		5.00	setup	
5000-000		5.00	setup	
Enter a GL code, choose a function key, or <ENTER>,...				
Exit				
F1	F2	F3	F4	F5
F6	F7	F8	F9	F10
Top Row	Delete	DelAll	UndelAll	Lookup Save

General Ledger Opening Balance Entry, BHCBG

- GL Code:** Enter a GL code or select one from a display of codes by pressing the <F9> key
- To *delete* a previously entered Journal Entry, place the cursor on the code to be deleted and press the F2 key. The line will change to half-intensity mode, indicating it will not be stored into memory if the batch is saved (see below).
- To *reinstate* a line previously deleted, place the cursor on the code to be reinstated and press the F2 key. The line will return to full intensity mode, indicating it will be stored into memory if the batch is saved.
- To *delete all entries* made in a batch, position the cursor on any code and press the F3 key. All the entries will be displayed in half-intensity mode.
- To *reinstate all deleted lines* position the cursor on any code and press the F4 key. All entries will be displayed in full-intensity mode.
- To choose an account from the lookup, press <F9> key.
- When all entries for a batch have been made, press the F5 key, or the ↵ key on a blank line, to save the batch and exit the program. If the debit and credit totals are not equal (e.g., the balance is not zero), then the batch cannot be saved until additions or changes are made to complete the journal.
- To exit without saving any entries, select the F1 key. All current input would be lost.
- Debit:** If the Journal Entry is a debit, enter the value to a maximum of \$99,999,999.99. If the entry is a credit, press the ↵ key.

Credit: If the Journal Entry is a credit, enter the value to a maximum of \$99,999,999.99. Negative signs are not required. If the entry should have been a debit, press the ↵ key to return to the debit field.

Reference: Enter a description for the Journal Entry to a maximum of 35 characters. To repeat the previously entered journal reference, enter a double quotation mark (") and press ↵.

Verifying/Posting General Ledger Opening Balances

To examine the opening balance entries before they are posted, access plate letters **BHCBH** (GL Opening Balance Edit List). Print and check the edit list prior to posting the journal. You will be prompted to enter 'Y' or press 'enter' to continue. Enter 'N' or press F1 to exit.

To post the opening balance entries access plate letters **BHCBI**. It is recommended that the edit list is produced and checked prior to posting the journal. Posting entries produces a printed journal and entries may not be edited after posting. You will be prompted to enter 'Y' or press 'enter' to continue. Enter 'N' or press F1 to exit.

If you are starting the General Ledger part way through the company's fiscal year, the history for the missing periods should be entered via Journal Entries. If Journal Entries are made entering the missing data into the correct periods accurate monthly Financial Statements will be available. If these monthly statements are not important to you, updating may be done by Journalizing all the missing data into one period, however, don't use the Opening Balance function for this purpose.

You may interface the GL with the Point of Sale and begin entering current work before entering opening balances if this approach better meets your needs.

Bank Reconciliation Opening Balances

Plate Letters: **BHCBO**

This option allows the user to enter all uncleared items from the last bank statement. This will then be used in the first reconciliation using the TRC General Ledger module.

Note: Bank Reconciliation may also be used to reconcile credit card statements. A credit card liability account would need to be created, setup as a 'Bank' account, and have the liability account set up as a payment method in the Tender screen (**BDCIB** on the menu – see the Accounts Payable manual for details).

A sample completed entry is shown below.

BHCBO Bank Record File Maintenance 7.4.0.007

```

1. Bank GL Code      [1013-000]
2. Date              [11/30/2003]
3. Reference         [00006-00001 ]
4. Record Counter   [001]

5. Amount            [ 10000.00]
6. Cleared Bank (Y/N) [ ]
7. Item Source       [G/L Adj  ]
8. G/L Posting Period [00]
    
```

Enter the Bank GL Code associated with this record,...

F1 F2 F3 F4 F5 F6 F7 F8 F9 F10
Exit Lookup

Bank Reconciliation Opening Transactions, BHCBO

- Bank GL Code:** Enter the Bank GL Account. F9 Lookup will display all Bank protected accounts.
 - Date:** Enter the date of the outstanding transaction.
 - Reference:** This is a reference for the transaction. Typically, this will be a cheque or manual payment identifier.
 - Record Counter:** In almost all cases, leave this at 001.
 - Amount:** Enter the transaction amount, with debits (positive amounts) indicating deposits or customer payments, and credits (negative amounts) indicating cheques and manual payments.
 - Cleared Bank:** This is set to 'N' or left blank for the setup of outstanding items.
 - Item Source:** This is another reference. For a payment, it could be the supplier number. If it is a customer payment, it could be ROA or DEP.
 - GL Posting Period:** For opening balances, select 00.
- Once the entry is complete, select F10 Save to save the transaction record.

Using the General Ledger

From the top menu of the General Ledger Program, the user may access the submenus that handle General Ledger set-up, Journal Entry creation, the importing of data from Point of Sale and Accounts Payable, reporting functions related to data found in the GL, Financial Statement creation and closing functions necessary for General Ledger and system maintenance.

The General Ledger Menu is located at plate letters **BHC**.

```

THE CONTROLLER SERIES SOFTWARE by Mainframe Associates (800) 845-5445
BHC                                     ARNOLD 1.5.26
      General Ledger Menu
F1  a  Exit
F2  b  GL CONTROL Menu
F3  c  GENEral Journal Menu
F4  d  InterFACE Menu
F5  e  GL Account INquiry
F6  f  GL Reports Menu
F7  g  BANK REconciliation
F8  h  Financial Statement Menu

Please select an option: [      ]

Version 7.3 licensed to MAINFRAME ASSOCIATES for 24 users
    
```

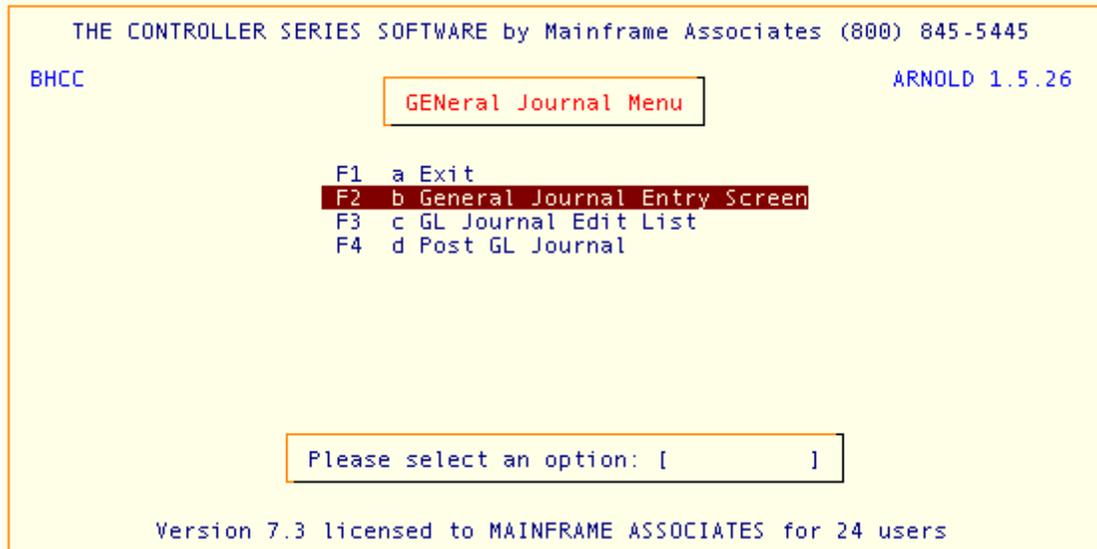
General Ledger Menu, BHC

General Journal

Overview

Generating transactions (versus importing data) within the General Ledger is achieved using the menu options found in the General Journal Menu. User driven and initiated, the Journal Entry screen is used to process most of the Journal Entries required. As a convenience and time saving feature, the Repeating Journal Entry option allows the user to enter a transaction once and post it over and over again without having to re-input the data. This is useful for writing off prepaid expenses and similar items that are repeatedly recorded on a regular monthly basis.

The **General Journal Menu** is located at plate letters **BHCC** or vocabulary reference **GENJ**.



General Journal Menu, BHCC or GENJ

General Journal Entry

Plate Letters: **BHCCB**

Vocabulary Reference: **JE**

The Journal Entry screen is used to create, modify and delete Journal Entries. Journal Entries are entered in batches. Each batch is for a specified General Ledger time frame. A batch cannot be saved if its debits and credits do not equal 0.00. An ongoing total of the difference between debits and credits is displayed on the screen. The system will keep several unposted batches, for the same and/or different time periods, on the system simultaneously.

To move up or down from code to code use the ↑ and ↓ arrow keys. To move across a line, use the ↵ key and to back up use the F1 key.

The screen displayed below shows a General Journal Entry Screen with its batch header information entered, and the cursor in the GL code field ready for the first transaction to be entered:

BHCCB		General Ledger Journal Entry		7.3.2.008					
Batch []	Period []	Transaction Date []							
Journal Entry Reference []									
GL Code	Debit	Credit	Reference						
<ENTER> for next batch, <F9> Lookup, or <F1> to Exit,...									
F1 Exit	F2	F3	F4	F5	F6	F7	F8	F9 Lookup	F10

General Ledger Journal Entry, BHCCB or JE

Batch: Enter a batch number to a maximum of 5 digits, press the ↵ key to use the next available number or press the F9 key to select a previously used unposted batch number.

Entry of a previously used batch number will either:

- Causes the batch to be displayed if it has not been posted to the GL; or
- if the journal has been posted, cause a warning to be displayed and the batch number to be rejected.

Select an unused number for a new batch of transactions to be entered. To add to an existing unposted batch, or make amendments to it, enter the relevant batch number.

Period: Enter the GL period to which the journal transactions are to be posted in the GL, or press the ↵ key to accept the current period.

Press the F1 key to backup to the batch number field (see above).

Trans Date: Enter the date in the form MMDDYY, which is to be recorded with the transactions when posted to the GL. To select the system date, press the ↵ key. This date does not have to be within the period dates chosen in the previous field, because it is for reference purposes only.

GL Code: Enter a GL code or select one from a display of codes by pressing the F9 key.

To delete one line of a Journal Entry, place the cursor on the code of the line to be deleted and press the F2 key. The line will change to half-intensity indicating it is deleted.

To *reinstate* a line previously deleted, place the cursor on the code of the line to be reinstated and press the F2 key. The line will return to full intensity mode indicating it has been restored.

The F2 key can be used, as much as necessary, to toggle lines off and on.

To *delete all entries* made in a batch, position the cursor on any code and press the F3 key. All the entries will be displayed in half-intensity mode. To *reinstate all the deleted lines* position the cursor on any code and press the F4 key. All entries will be displayed in full-intensity mode.

When all entries for a batch have been made, press the F5 key, or the ↵ key on a blank line, to save the batch and exit the program. If the debit and credit totals are not equal (e.g., the balance is not zero), then the batch cannot be saved until additions or changes are made to complete the entry.

Note: You cannot post entries directly to your **Retained Earnings** account (Flag 143). The system maintains this account automatically. If you wish to make GL entries to Retained Earnings throughout the year, you will need to create a different equity account.

Debit: If the Journal Entry is a debit, enter the value to a maximum of \$99,999,999.99. If the entry is a credit, press the ↵ key.

Credit: If the Journal Entry is a credit, enter the value to a maximum of \$99,999,999.99. Negative signs are not required. If the entry should have been a debit, press the ↵ key to return to the debit field.

Reference: Enter a description for the Journal Entry to a maximum of 35 characters. To repeat the previously entered journal reference, press the enter ↵ key. The user should *take care* not to indiscriminately keep using the return key to automatically reenter Journal Entry descriptions. If the user becomes careless and Journal Entry descriptions are wrong, in order to correct the entry the user may have to reenter each description. Also Journal Entries with incorrect descriptions may be inadvertently be posted to the General Ledger.

Journal Edit List

Plate Letters: **BHCCC**

To examine the Journal Entries in a batch an edit list may be printed. It is recommended that edit lists are produced and checked prior to posting. Corrections and additions made prior to posting a batch may be made by entering the relevant batch number in the Journal Entry screen (see previous Journal Entry screen). Entry to the journal edit list program prompts for the following:

Batch Number: Enter the batch number for which the edit list is to be printed. Selection of a batch number may be made from a window display

of current batches by pressing the F9 key. To select all batches enter an asterisk (*).

Do You Wish To Continue?: Enter 'Y' or the ↵ key to produce the report. Enter 'N' to backup to the batch number field, or press F1 to exit.

Post GL Journal

Plate Letters: **BHCCD**

To post the batch entries the Journal Entry Post program should be run. It is recommended that an edit list is produced and checked prior to posting to the GL (see previous Journal Entry Edit list). Selecting the journal post program displays the following:

Batch Number: Enter the batch number for which the edit list is to be printed. Press F9 to select a batch number from a display of current batches. To select all batches enter an asterisk (*). Entries may not be modified after posting.

Do You Wish To Continue?: Enter 'Y' or the ↵ key to post the GL entry and produce the report. Enter 'N' to backup to the batch number field, or press F1 to exit.

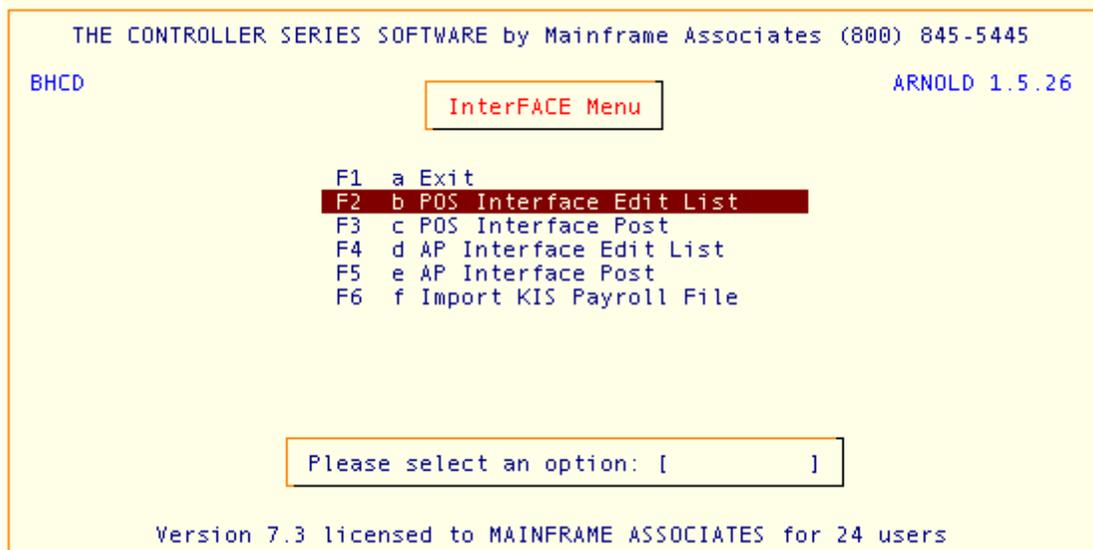
POS / GL Interface Overview

Data created in the Point of Sale/AR modules is exported to the Interface File as part of the End of Day processing. Data created in the Accounts Payable module is *exported* to the Interface file when the user posts a Journal (i.e. Purchase Journal, Cheque Registers, Manual Payments).

Importing data from the Interface file into the General Ledger is done at user discretion.

The **Interface Menu** is located at plate letters **BHCD** or the vocabulary reference **IFACE**.

The following displays the Interface menu that permits the user to review and post data from outside modules into the General Ledger.



Interface Menu, BHCD or IFACE

POS Interface Edit List / Posting

Plate Letters: **BHCDB** and **BHCDC**

The options for the POS Interface Edit List and Posting are identical. Any difference between the two will be noted below.

Prior to posting Point of Sale transactions held in the Interface file to the GL, a **detail** edit list should be reviewed. This is used to check for accuracy and any potential database integrity issues.

Period #: Enter the period number for which the AR and POS Interface Journal edit list is required. All unposted entries held in the Interface file for GL integration and that relate to the period selected, will be included in the edit list. A list of periods which have unposted transactions will be displayed. To select the current period as displayed, press the \downarrow key. The system prompts the user to enter 'Y' for the Edit List to process in detail or 'N' for the Edit List to process in Summary form.

Process daily?: If the selected period has transactions spanning more than one day, a window will pop-up, prompting the user whether they wish to process daily. If the answer is Y, each day's transactions, in date order from the earliest, will be processed one at a time, with a report created for each day. If the answer is N, then all of the period's transactions will be processed together with no regard for the date order. A single report encompasses all days.

Check for duplicate records in GL?: For general usage, use the default option of N for no checking. If the user selects Y, then the GL is searched for the identical matching record, a very time consuming process (processing times can change from a few seconds to nearly an hour). When creating an edit list, nothing else happens, so there is no purpose in selecting this option.

The only time that the user should set this to Y is in the case where the posting failed. If selected, for each record it posts, it will search the GL for this record in this period., and delete it. It will then post the GL record. This process substantially slows down the posting time – depending on the size of the General Ledger file, a few seconds can become an hour.

All Transactions in Detail?: If the user answers Y for yes, the system proceeds to the next option. If the answer is N, then it displays the range of accounts selected at the GL System Control Menu to process in detail to (BHCBLD – BHCBLH above). You may override these accounts or add or delete ranges of accounts.

Note: The user should be careful in selecting the processing and/or posting of GL records partially or completely in summary. In the GL Inquiry screen (BHCE or GLINQ), transactions posted in summary will display in this fashion. If posted in detail, the GL entry associated with any single transaction can be displayed and reviewed. This is not possible when posting in summary. The advantage to posting in summary is that the posting report for a single day's sales can be very long (a minimum of 4 lines for each item sold, tens or hundreds of pages long, which is a lot of paper if printed).

The GL detail is **NOT** lost when posting in summary. For audit purposes, the GL is always **posted** in detail, even if the reports or GL Inquiry may **display** in summary. The full GL detail may be retrieved from the GL Trial Balance report (BHCFB) and selecting Full Detail.

Do You Wish To Continue?: Enter Y or press the ↵ key to post the GL and produce the report. Enter N to go back one entry field.

Accounts Payable Interface Edit List / Posting

Plate Letters: **BHCDD** and **BHCDDE**

Running the AP Interface Edit List produces a report of the AP entries in the Interface file awaiting GL posting. Produce an edit list prior to running the AP Interface Journal Post program to check for data accuracy before posting.

The entries required to run the AP Interface Edit List are:

Period #: Enter the period number for which the AP Interface Journal edit list is required. All unposted entries brought forward to the GL for integration and relating to the period selected are listed in the edit list. To select the current period as displayed, press the ↵ key.

Check for duplicate records in GL?: For general usage, use the default option of N for no checking. If the user selects Y, then the GL is searched for the identical matching record, a very time consuming process (processing times can change from a few seconds to nearly an hour). When creating an edit list, nothing else happens, so there is no purpose in selecting this option.

The only time that the user should set this to Y is in the case where the posting failed. If selected, for each record it posts, it will search the GL for this record in this period., and delete it. It will then post the GL record. This process substantially slows down the posting time – depending on the size of the General Ledger file, a few seconds can become an hour.

All Transactions in Detail?: If the user answers Y for yes, the system proceeds to the next option. If the answer is N, then it displays the range of accounts selected at the GL System Control Menu to process in detail to (BHCBLD – BHCBLH above). You may override these accounts or add or delete ranges of accounts.

Note: The user should be careful in selecting the processing and/or posting of GL records partially or completely in summary. In the GL Inquiry screen (BHCE or GLINQ), transactions posted in summary will display in this fashion. If posted in detail, the GL entry associated with any single transaction can be displayed and reviewed. This is not possible when posting in summary. The advantage to posting in summary is that the posting report for a single day's sales can be very long (a minimum of 4 lines for each item sold, tens or hundreds of pages long, which is a lot of paper if printed).

The GL detail is **NOT** lost when posting in summary. For audit purposes, the GL is always **posted** in detail, even if the reports or

GL Inquiry may **display** in summary. The full GL detail may be retrieved from the GL Trial Balance report (BHCFB) and selecting Full Detail.

Do You Wish To Continue: Enter Y or press the ↵ key to produce the report. Enter N or press the F1 key to backup one entry field.

GL Account Inquiry

Plate Letters: **BHCE**

Vocabulary Reference: **GLINQ**

The GL Account Inquiry program provides on screen display of transactions posted to GL accounts. This display is available in summary (period total(s)) or detail format. The user may select one period, a range of periods or all periods on the system for viewing. The General Ledger has a 24 period capacity and any date within those 24 periods is available for viewing. The details provided begin with the opening balance, and include for each transaction:

1. The source of the entry;
2. The entry date and document references
3. The value of the entry listed as a debit or credit, and
4. End of period totals.

The account display halts at the end of a full screen or at each period end and awaits the user's response to continue. Once all items have been displayed for the period(s) selected, final totals for all debits and credits and the closing balance are displayed. When entering the program the screen will be displayed as below:

BHCE		GL Account Inquiry - Detailed		7.3.2.009	
Account []		06/01/2006 - 06/30/2006 Period 10 - 10			
Src Date	Document	Reference	Debit	Credit	
Enter a GL Account Code, <F9> Lookup, or <F1> to Exit,...					
F1	F2	F3	F4	F5	F6
Exit			ChgYear		
			Look GL		
F7	F8	F9	F10		

GL Account Inquiry, BHCE or GLINQ

GL Code: Enter the GL account code for which details are to be displayed. To select from a window display of all GL accounts, press the F9 key. To exit the program, press the F1 key.

Start Period: Press the ↓ key to select the default for the start period or enter the first period number for which transactions are to be displayed. To return to the GL Code field press the F1 key or the ↑ arrow key.

End Period: Press the ↓ key to select the default end period number or enter the last period number for which transactions are to be displayed. To return to the GL Code field press the F1 key. To return to the Start Period field press the ↑ arrow key.

When the GL information is loaded, a screen similar to the one below is seen. The user can move through the information using the Page Up/Down keys, as well as selecting one of the function keys described below.

F1 Exit: Exit the GL Inquiry screen.

F2 EditGL: Select another GL Account to view.

F3 1st Page: In a multipage display, this key will appear to take the view back to the first page in the display.

F4 -5 Pages: In a multipage display that is longer than 5 pages, this key will appear to take the view back 5 pages at a time.

F5 +5 Pages: In a multipage display that is longer than 5 pages, this key will appear to take the view forward 5 pages at a time.

- F6 Last Page:** In a multipage display, this key will appear to take the view back to the last page in the display.
- F7 Prev GL:** Changes the GL to the numerically previous GL account.
- F8 Next GL:** Changes the GL to the numerically next GL account.
- F9 Look GL:** The GL lookup, allowing the view to jump from GL to GL:.
- sF9 Dates:** Allows the selection of a date range for viewing. Note that the dates must be within the periods being viewed.
- F10 Summary/Detail:** Toggles the display between summary and detail. The summary view is a single line for each period being displayed. Note: This is not at all related to the GL posting in summary or detail as described in the GL interface posting above, which is typically summarized by day.
- sF10 Periods:** Allows the selection of the periods being viewed. Changing the periods being viewed will automatically set the start and end dates to the beginning and end of the periods range selected.

GL Reports

The **GL Reports Menu** is located at plate letters **BHCF** or vocabulary reference **GLREP**.

GL Trial Balance

Plate Letters: **BHCFB**

Vocabulary Reference: **GLTRIAL**

This option creates a report of one, a range, or all GL accounts for a user defined period(s). The user may elect to report totals only for the GL accounts selected or alternatively, have the report print period totals for each account.

Entry to the program will display a window requesting the following information:

- Start GL Code:** Enter the start GL Code for the first account you wish to report. Alternatively enter a * to report on all GL accounts. Press the ↵ key to accept the code entered. The name of the GL account will appear on screen. An F9 lookup is provided.
- End GL Code:** Enter the end GL Code for the last account you wish to report on. Press the ↵ key to accept the code entered. The name of the GL account will appear on screen. An F9 lookup is provided.
- Start Period:** Enter the first period number that you wish to see printed or accept the current period default. Press the ↵ to accept the entry.

- End Period:** Enter the last period number that you wish to see printed or accept the current period default. Press the ↵ to accept the entry.
- Start Date:** Enter the starting date for the report. This date must be within the period range selected.
- End Date:** Enter the ending date for the report. This must be within the period range selected.
- Include Accounts with Zero Balances:** Press ↵ to accept the default of no (N) or change to a yes (Y) to include accounts with zero balances on the report.
- Detail Level for Report (S/P/D/F):** Opens a window to allow the user to select the detail level. The options are: Summary – a single line for the GL account for the range selected; in summary by Period – a total for each period in the range selected; Detail as posted – reports the GL as posted (in summary or detail) from the POS and AP interface; and Full detail – reports every single entry in the GL for audit purposes.
- Profit Center:** Select one of the following options: Consolidated – all cost centers will be rolled into one (ex., 1200-100, 1200-200, 1200-300 will all appear under 1200-000).; Group – a report of all cost centers within a specific group which will be prompted for; All – reports all accounts as they appear in the GL.

GL Data Exporter

Plate Letters: **BHCFC**

This option allows the user to export the GL in a CSV format to a Windows PC. Select the GL account to export, as well as the GL period range. Finally, select the output directory on the Windows PC – the default directory is C:\Windows\Desktop, but should be changed if running Windows XP or later.

GL Fiscal Year Comparison

Plate Letters: **BHCFD**

This is a report showing the totals in all GL accounts comparing the two fiscal years to date. GL accounts will only be included if they have a non-zero total in the first fiscal year.

Note: this report does not compare equal periods. It is a report of the sum of periods 1-12 (first fiscal year) and 13-24 (second fiscal year).

Bank Reconciliation

Plate Letters: **BHCG**

Vocabulary Reference: **BANKREC**

Reconciliation of any GL account identified as a Bank account, using the GL Protection screen **BHCBD**, may be performed. The program has no effect upon the operation of the GL and does not have to be used to maintain accuracy of the accounts. It is available as a method of comparing the GL balance on the system with the Bank Statement and producing a report showing outstanding entries on the bank statement as at a certain date.

By the user entering the final balance from the bank statement and 'marking' items from the screen display as processed by the bank, the program may compare the total of the outstanding items with the difference between the GL bank account balance and the input bank statement balance. If these two totals agree, a reconciliation report may be printed showing the outstanding items and the bank account balance.

Any items appearing on the bank statement that have not been entered into the GL bank account should be entered to the GL, in the appropriate manner, and the Bank Reconciliation program run again to complete the reconciliation. All items that are marked as cleared will be saved when the program is exited by using the F5 key. This will prevent the necessity of remarking all the cleared items again on re-runs of the reconciliation program.

Entry to the program will display a screen similar to the one printed below:

BHCG		Bank Reconciliation		7.3.4.008	
Bank GL-Code	[1013-000]	Main Bank			
Statement Balance [		] Last Bank Statement Balance:			
As at Date [		] As at:			
Date	Debit	Credit	Balance	Cheq # / JNL - trans	
Enter the Bank GL-Code,...					
F1	F2	F3	F4	F5	F6
F7	F8	F9	F10		
Exit		Lookup			

Bank Reconciliation, BHCG or BANKREC

- Bank GL-code:** Select a Bank GL account. By default, the bank account is that listed in Flag 130, but others can be selected by using F9 Lookup.
- Statement Balance:** Enter the closing balance as reported on the bank statement being reconciled. An overdraft should be entered as a negative amount with a preceding minus sign (-).
- As at Date:** Enter the date of the bank statement that is being reconciled, in the form MMDDYY. Any input date that is earlier than the date of the last reconciled statement will be rejected. To return to the Statement Balance field press the F1 or ↑ arrow key.

When a valid date is entered, all posted transactions to the GL bank account that have not previously been marked as clearing the bank, are displayed one screen at a time. The user can select to view all Items, just credits or debits, or other subsets. These are sorted either by reference or by date. At this point, any items that appear on the bank statement should be marked by moving the cursor to that item and pressing ↵. Other function keys available at this point include:

- F2:** Toggle a line selection on/off. Equivalent to pressing ↵.
- F3:** Select all transactions for reconciliation.
- sF4:** Deselect all transactions for reconciliation.
- F5:** Save the work done to this point. This does not set the current status to reconciled, but saves it so it may be reloaded at some future time for further reconciliation.
- F6:** Mark the statement as reconciled. This is only permitted to proceed if the Unreconciled Balance is zero.
- F7:** Includes all outstanding items for a report.
- sF7:** Includes all items for a report
- F10:** Allows the user to reselect the types of items displayed and/or change the sort order.

When exiting the program, use the F5 key to save all the cleared items as marked. To exit the program without saving the cleared items as marked, press the F1 key.

Financial Statements

Overview

Income Statements and Balance Sheets are available from the **Financial Statements Menu**. The menu is located at plate letters **BHCH** or vocabulary reference **FS**. Financial Statements are available at any time. The only criteria are that the data exists in the General Ledger.

The Balance Sheet lists the company's Assets and Liabilities as at a user supplied period end date. For comparative purposes, the Balance Sheet also displays the prior period end figures.

The Income Statement reports on the company's Income and Expenses for a given period, or group of periods, as defined by the user. Year-to-date totals are printer from period 1 up to, and including, the user supplied cut off date.

It is recommended that a GL Trial Balance be run prior to printing Financial Statements. This is to ensure that the GL is in balance, and to allow examination of the account balances.

It is important to note that the MFA General Ledger is an *open* General Ledger. Interim Financial Statements prepared throughout the year are deemed *audit statements* and may be changed at user discretion. Only the year-end Financial Statements filed with Revenue Canada are unchangeable. Changes made to GL periods for which Financial Statements have been run should be reprinted. A General Ledger trial balance may also need to be reprinted. The reason for the preceding is to ensure that an accurate paper trail exists. After changes are made to prior period figures, these changes will be reflected in the year-to-date totals on all subsequent Financial Statements

Operation of each program to produce the reports is described below.

Income Statement

Plate Letters: **BHCHB**

Vocabulary Reference: **IS**

The company's Income Statement(s) may be printed for one period or a range of periods. The Income Statement is designed to give total company Sales Revenue, Cost of Goods Sold, Gross Margin, 2 categories of expenses, non-sales revenue and Income (deficit) for the period (s) selected.

The Income Statements is designed to use GL accounts set in defined ranges such as the examples below: (option **BHCBJ** on the menu).

	Start Number	End Number
Income (Sales)	6000-000	6999-999
Cost of Goods Sold	7000-000	7999-999
Expenses	8000-000	8999-999
Other Income	9000-000	9999-999

Table 2 Sample Income Statement Accounts

Entry to the program will display a window requesting the following information:

Start GL Period: Enter the start period number for the Statement to be printed. To accept the displayed current period number, press the ↓ key.

- End GL Period:** Enter the end period number for the Statement to be printed. To accept the displayed current period number, press the ↵ key.
- Suppress Zero Balance Accounts:** Enter 'Y' for yes to skip accounts with a zero balance, 'N' to include them.
- Cost Center Grouping:** Enter 'Y' for yes if you wish to run an income statement for a group of cost centers. You will then be prompted to enter the cost center group number.

Enter 'N' for no for the option to create an income statement for all or a single cost center.
- Cost Center:** If you have answered No to 'Cost Center Grouping' above, then you may choose a valid cost center code or '*' for all.
- Type of Income Statement:** This option allows the user to choose the type of income statement to create. Valid options are in Summary (all cost centers are consolidated into a single GL line), Itemize Cost Center (each cost center is included on a single report), and Report by Cost Center (each cost center will generate its own income statement).
- Prior Year or Budget Figures:** For each line printed, the Prior year values or Budget values for the same period will be included.
- Percent or Variance Report:** The Variance report shows changes from the previous period or the budget, while the Percent report gives the percentage of each line relative to the Total Sales Income.
- Export as Report or CSV:** The Income Statement will either be treated as a standard report (with the standard output options) or will export to a Windows PC as a CSV file for immediate loading into the PC's standard spreadsheet software. For the latter step to work, the CSV file type must be associated with a spreadsheet program like MS Excel or Open Office.

Balance Sheet

Plate Letters: **BHCHC**

Vocabulary Reference: **BS**

The Balance Sheet is designed to use GL accounts set in defined ranges such as in the example below (set up in plate **BHCBK**). The Retained Earnings GL code set in Flag 143 must be included in the Balance Sheet set-up as the system uses this GL number to input the year-to-date Income (deficit). The Income (deficit) is calculated for fiscal year-to-date as at the end date of a specified period. This figure must correspond to the Income (deficit) displayed on the Income Statement as at the same End Period.

	Start Number	End Number
Current Assets	1000-000	1999-999
Fixed Assets	2000-000	2899-999
Other Assets	2900-000	2999-999
Current Liabilities	3000-000	3999-999
Long Term Debt	4000-000	4999-999
Capital and Equity	5000-000	5999-999

Table 3 Sample Balance Sheet Accounts

The Balance Sheet uses all the transactions for all the periods, up to and including the period selected on the above accounts. It also includes the profit or loss figure for the same periods as calculated in the Income Statement program (see Income Statement previous). To ensure the Balance Sheet includes the correct profit (or loss) figure it is important to ensure all Income Statements for each period, up to and including the period the Balance Sheet is to be produced for, have been run.

Entry to the program will request the following information options that determine how the Balance Sheet is to be produced:

- Period:** Enter the period number to which the Balance Sheet is to be printed. To accept the displayed current period number, press the ↵ key.
- By Group:** Enter Yes to report by cost center group, No to select one or all cost centers.
- Cost Group:** If reporting by cost center group, the user will be asked to enter the cost center group to use for the generation of the Balance Sheet.
- Cost Center:** If not reporting by cost center group, the user will be asked to select a single cost center, or "*" for all cost centers.

GL Period Closing Overview

The Financial Statement Menu, option BHCH provides access to programs that perform the GL updating needed at the End of each Period and the End of each Year. These programs move the current period number forward, create history files and perform other system maintenance procedures to get the GL ready for the new period or year.

End of Month Closing

Plate Letters: **BHCHD**

Once all the entries for the current (closing) period have been processed to the GL this End of Period Processing program may be run. The only action taken by the program is to change the

current period number by increasing it by one. If the closing period number to be increased is for period 24 then no change is permitted – you must run the GL EOY instead, and then run GL EOM.

By advancing the period number any programs that use the current period as default for allocating period numbers and dates will reflect the change. The dates for the new period will be obtained from those set in the GL Period Entry program (**BHCBB** on the menu).

Entry to the program will present a window requesting the following:

Clerk Number: Enter your clerk number. The clerk must have EOM privileges in order to continue.

Do You Wish To Continue: Enter YES to proceed. Enter N or press the F1 key to exit.

End of Year Closing

Plate Letters: **BHCHE**

The TRC runs a 24 period, 2 fiscal year General Ledger system. By running the End of Year Processing the current GL year's information is stored in history files and the entries in periods 13 to 24 are moved to the corresponding periods 1 to 12. It is not possible to run the GL End of Year process if the current GL period is less than 13 – in other words, you must be operating in the second fiscal year.

In order for the end of year process to proceed, it is required that all unposted entries that may affect the GL be posted. The program checks for: unposted AP Invoices, unprinted computer cheques, unposted cheques and payments, unposted General Journal entries, and unposted AP and POS Interface entries. This program will prompt you to start the posting process, and will systematically post each of the above as required. It is **NOT** possible to continue until the posting process is complete. In addition, the Accounts Payable EOY function must also have been run, so that the AP periods remain synchronized to the GL periods.

Once all of the posting is complete (or if there was none to begin with), the following prompts occur.

Clerk Number: Enter a clerk that has permission to run EOY.

Have you run the Financial Statements?: Enter Y if all required Financial Statements have been printed, N otherwise. If the response is N, the GL EOY process stops.

Have you run your backup?: Enter Y if a system-wide data backup for this EOY has been done, N otherwise. If the response is N, the GL EOY process stops.

Do you wish to continue?: Enter Y to continue, N otherwise. If the response is N, the GL EOY process stops.

Finally, during the GL EOY processing, the following steps occur:

A backup is created of the current General Ledger transactions. A new history file is created for the closing year and all General Ledger entries in periods 1 to 12 are copied to it. The current period file is cleared and then all General Ledger entries (if any) for periods 13 to 24 are copied to the current period file as periods 1 to 12, respectively.

All 24 Start and End Dates, as set in the GL Period Entry program, are advanced by one year.

The current period number is reduced by 12, with the lowest possible new period number being 1.

The closing Balance Sheet amounts do not change and they remain as the opening balances for the next year's Balance Sheet accounts. The only exception is the Retained Earnings account, which changes to reflect the year's Income or Deficit.

At year-end all Income Statement GL accounts revert to 0.00 and their total (Income or Deficit) is added to the prior year's Retained Earnings figure. This new Retained Earnings amount becomes the opening balance for the next fiscal year.

Use of Other Accounting Packages

It is possible to use other accounting packages together with *The Retail Controller*. *The Retail Controller* provides various levels of integration with these other packages, typically in the form of EOD reports that give the GL distribution for the day's sales. Below is a short overview of the setup and use of this option.

Note: Mainframe Associates does not endorse any other accounting product. Any third-party products identified below are for illustrative purposes only.

Procomm Accounting

This is an unsupported, historical accounting package for which manuals no longer exist. It requires system flag 500 (**BHCBLB** on the menu) be set to Y. It is found at BGC on the menu.

Third-Party Accounting

This option encompasses all other accounting packages that may be used. It requires system flag 500 (**BHCBLB** on the menu) to be set to T.

In order for the EOD reports to create a GL distribution of the day's sales, the GL accounts must be set up, and the inventory and sales tenders integrated. The latter two steps are described on page 12 under *Creating the Point-Of-Sale – General Ledger Interface*.

Once the setup is complete, select EOD Optional Report #13 Sales Distribution by G/L Account as one of the EOD Optional Reports (**BDCC** on the menu) in order to provide the information necessary for transfer into the third-party accounting package.

Third-Party G/L Account Setup

Plate: **BFGS**

```

[ {BFGS} GL CODE MAINTENANCE (GLMAIN) ]
-----
GL Code      [          ]
1) GL Description [          ]
-----
Enter the GL Code to modify or <F1> to Exit,...
    
```

BFGS - Third Party G/L Account Setup

Enter the G/L Account, or use the cursor up and down keys to scroll through previously defined G/L accounts. If entering a new account, you will be prompted to enter a description for this account.

Once the entry is complete, or if an existing G/L account has been selected, the cursor will be at the Modify Field prompt. At this point, pressing Enter will save the current entry, or selecting F4 Delete will delete it and clear the screen.

Third-Party G/L Account Listing

Plate: **BFGT**

Produces a listing of the G/L accounts.