Banking And General Ledger

**Transactions**

# [Payments](https://frontaccounting.com/fawiki/index.php?n=Help.BankAccountPaymentEntry?action=browse)

### **Purpose**

There are different ways to record payments to GL accounts but the most efficient way in FA is through the GL payment system. Payments to suppliers, miscellaneous purchases, etc. can be entered here. The Quick Entries method is the fastest way to enter simple, reoccurring payments.

### **Procedure**

From the main menu:

1. Click on the Banking And General Ledger tab.
2. Click the Payments option.
3. Under the **From** drop-down list, select the Bank Accounts from which the payment is to be deducted.
4. Under **To**, select the payee from the drop-down list to whom the payment should be made.
5. If the **Miscellaneous** payee was selected enter the payee's name; otherwise, select the payee from the drop-down list.
6. Select the GL account(s) the payment should be posted to by clicking **Add** for each one required.
7. Enter any notes in the **Memo** field.
8. Click **Process Payment** when finished.

### **Tips and Tricks**

* Always view your GL posting to make sure that your entry was posted to the right account(s).
* The amount is posted as a credit to the account set in Bank Accounts for the bank selected in the document.

# Use Payments to Suppliers if you want to reconcile the deposit with supplier invoices.

# Bank Account Transfers

### **Purpose**

Transfer money from one bank or cash account to another.

### **Procedure**

A GL posting (Bank Transfer) is created with following postings:

* the amount is posted as a credit to 'From account
* the amount is posted as a debit to 'To account

### **Purpose**

There are several ways to record deposits to GL accounts but the most efficient way in FA is through the GL payment system. Deposits from customers, miscellaneous sales, etc. can be entered here. The Quick Entries method is the fastest way to enter simple, reoccurring deposits.

* CASH Accounts should not be negative in FA.

### **Procedure**

From the main menu:

1. Click on the Banking And General Ledger tab.
2. Click the Deposits option.
3. Under **From**, select the payer from the drop-down list from whom the payment should be made.
4. If the **Miscellaneous** payer was selected enter the payer's name.
5. Under the **To** drop-down list, select the Bank Accounts to which the deposit is registered.
6. Select the GL account(s) the deposit should be posted to by clicking **Add** for each one required.
7. Enter any notes in the **Memo** field.
8. Click **Process Deposit** when finished.

# Journal Inquiry

### **Purpose**

Inquire your journal. Search for specific documents.

### **Procedure**

Set your criteria. Click "Search".

# GL Inquiry

### **Purpose**

Inquiry your GL accounts. Drill down to individual accounts and documents.

### **Procedure**

Select an account and range of dates.

# Bank Account Inquiry

### **Purpose**

Inquiry your Bank Accounts.

### **Procedure**

Select bank account and range of dates.

# Tax Inquiry

### **Purpose**

Taxes are reported for selected dates.

### **Procedure**

Accounts are grouped by Taxes.  
Sale Taxes are calculated from Sales Invoices and Purchase Taxes are calculated for Purchase Invoices.

# Bank Accounts

### **Purpose**

Use this option to setup and configure your bank & cash accounts. The default bank account will be printed on invoices. All accounts are used to reconsile customer payments and payments to Suppliers.

### **Procedure**

* If you want to change a bank account use Edit icon on right hand side.
* To add new account enter data in lower part of the screen and click "**Add New**".
* Account code must first be created and then assigned to the bank Account.
* Logical reason for having separate GL accounts for each bank account: It would be extremely difficult to reconcile bank statements with the GL if accounts are intermixed in one GL account. Having separate GL accounts would be much easier to manage/reconcile in the long run.

### **Tips and Tricks**

CRA-Accounting enable one General Ledger Account to be associated to more than one Bank Accounts. Ensure that the association between General Ledger Account and Bank Account is what you intent it to be or else just let one General Ledger Account to be associated to only one Bank Account to avoid confusion.

Every currency bank account can have one default mark. This account will then be selected when doing payments / deposits to suppliers / customers. Also this default account will be stamped on the sales invoice. Remember to fill out the Bank Name and Bank Account no.

#### **Credit Cards Bank Account**

Assign a bank account to a liability GL account to solve credit card accounting.

* Create the GL liability account for the credit card
* Create the **bank account** to link to the liability account created above
* Enter your supplier details like **pay** them using the **bank account** which is actually the credit card
* Do a bank transfer to pay the credit card
* Ref: Forum Post

# Quick Entries

### **Purpose**

Many transactions you enter for your business are repetitive. If you find yourself regularly entering similar types of bank deposits or payments, journal entries or supplier payments and credits a Quick Entry is what you need. A Quick Entry pre-populates fields in the relevant transaction screen for you, although you can override the values while entering the transaction if you wish. Quick Entries also allow you to allocate a transaction amount to different fixed accounts or taxes. Setting up a Quick Entry involves defining the entry first, then creating numerous transaction lines that adjust the remaining balance and apply it to the correct accounts. Quick Entries are also known as Preset Transactions.

### **Procedure**

* **Banking and General Ledger tab => Maintenance Menu => Quick Entries**
* Enter/Modify existing entries.
* Choose a name for your quick entry and default amount used as a base for calculations.
* Determine type of entry i.e. page for which the quick entry is designed for.
* Last two input fields defines:
  + default base amount used at the start of calculations
  + description of base amount used as remainder during quick entry usage
* If you press the Edit link on a Quick Entry you get a new form below where you can edit the sequence of operations performed on base amount (Quick Entry Lines).
* Refer Forum Post

Every operation defines how the amount posted to selected account is calculated. Currently following type of operations are defined:

* Post constant amount to selected GL account.
* Post percent part of base amount to selected GL account
* Post taxes for selected tax type , using base amount as net value.
* Post taxes for selected tax type , using base amount as value with tax included.
* Post remainder from previous calculations to selected GL acount.

After most operations the base amount can be increased, decreased or not changed depending on option selected. For every operation you can also select a dimension(s) if you want to keep track of a dimension.

You normally don't need more lines for this quick entry if this is type Phone bill, gasolin or other kinds of simple bills. Later on you can create more sophisticated entry lines.

If tax should be includes in the base amount you can first select a line **Tax included, reduce base** and select the correct tax type. And a line with **Remainder** put on the account you want to put the rest on. Order is important in this instance - the **Remainder** entry **must** come last. That's it!

#### **Operation**

If the quick entry Entry Type is:

* Supplier Invoice/Credit
  + Navigate to Purchases=>Supplier Invoices. Select the quick entry from the drop down menu at the top of the "GL Items for this Invoice" section
    - useful for Supplier Invoice Payment Quick Entries
    - useful for paying utility bills
* Journal Entry
  + Navigate to Banking and General Ledger=>Journal Entry. Select the quick entry from the drop down menu in the top right corner of the page
* Bank Deposit
  + Navigate to Banking and General Ledger=>Deposits. In the top middle of the page, select from the drop down menu labelled "from" and choose Quick Entry. Select the specific quick entry from the drop down menu labled Type.
* Bank Payment
  + Navigate to Banking and General Ledger=>Payments. In the top middle of the page, select from the drop down menu labelled "Pay To:" and choose Quick Entry. Select the specific quick entry from the drop down menu labled Type.

Fill in the Amount field and click Go, and the respective fields of the form will be filled for you based on how you configured the Quick Entry.

#### **Advanced**

The quick entries can do a lot more than this simple kind of entry. You can define them to be used in the GL entry form as well by selecting type **Journal**. Then they will show up in the Journal Entry page. The constraints on negative values has been taken away, so you can create very sophisticated lines. F.i. if you want to post import VAT for something bought overseas, you can enter a VAT line with incoming VAT. This will be the same sign as the amount. You select the **Post percent part** and enter the percent amount in the amount field, f.i. 9 for 9% VAT. And another line with the outgoing VAT with the same percent and amount (remember to set this as -9 for correct posting). You can also use the **Post percent part** for depreciations, create fixed amount lines (Post Amount) etc. etc. You can have as many lines as you want or need. Remember nothing is posted before you press the Process button in the bank payments/deposits/journal entry/supplier invoice/credit forms. You can always delete the lines or leave the form and nothing has been performed. You might have entered something wrong on one or more quick entry lines and want to go to Quick Entries again and change something.

If more lines with other Tax Types are needed, group them together and use the same action.

### **Tips and Tricks**

Let us start with a simple one. You want to make a Quick Entry for phone bills.

First go into Quick Entries and create a new Quick Entry. Select Bank Payment and call it f.i. Phone. Don't set a fixed amount. Save it and select it again. Create 2 Quick Entry Lines.

1. Select **Tax included, reduce base**. Select the relevant tax type.
2. Select **Remainder** and select the expense account for Phone bills.

If you don't use tax, then omit the first line.Go into Bank Payments, select Quick Entries and select the Phone. Add the amount from the bill and press go. Your lines should be there ready for processing.

Here is a more advanced one. If you only have a few employees you probably don't have a payroll program. You can preset a couple of Quick entries for that.

Say your employee has a salary of $2,000. The payroll tax is 11.02% and the withholding tax is 15%. First create a Quick Entry, Type: Bank Payment. Call it Salary X. Eventually preset the amount $2,000. And some entry lines:

1. % amount, select a Salary account (or create one, expense), 100%, Save
2. % amount, select an account for accrued payroll tax (or create one, liability), -11.02%, Save.
3. % amount, select a payroll tax account (or create one, expense), 11.02%, Save.
4. % amount, select an account for withholding tax (or create one, liability), -15%, Save.

If you have a fixed amount of tax, you could instead have choosen Amount, and the amount (negative). Go into Bank Payments, select Quick Entries and select the Salary X. Select Go and your lines are ready for processing.  
Here is one that works well for entering expenses that were subject to VAT and were booked to a personal credit card.  
Create a quick entry :  
Label it Gross Amount  
Select **Journal**  
Put the Gross Amount into the default base amount field

1. amount -100% book to the credit card ( minus sign so it is credited to the liability )
2. Taxes included, reduce base - books the tax amount to the appropriate tax account
3. Remainder - to the appropriate GL account for the expense.

using this makes the entry fairly quick.. You set up a few like this with common descriptions so you don't have to edit them all...

Here's another example using 'Tax Included' bank payments you may make eg. for monthly rent.

In many countries, when you purchase something for your business you pay a 'tax inclusive' price (eg. VAT or GST). When you make a bank payment for the item you allocate the pre-tax component to an expense account, then allocate the remainder to a pre-paid tax account. Let's assume you pay your rent monthly, and it's a fixed amount per month eg. $500.00.

First create the Quick Entry by clicking the 'Add New' button. Give the entry a description eg. Monthly Rent and nominate its type **'Bank Payment**'. You pay $500.00 per month, so enter this value into the 'Default Base Amount' field, and give it a name too: 'Monthly Rent Payment'. Click the 'Add New' button. Now it's time to define the transactions associated with this payment. Click the new entry you just made in the list. As the payment includes the VAT/GST amount, select **'Taxes included, reduce Base**' in the Posted dropdown box. Nominate the ledger account you with post the tax to eg. 'VAT' or 'GST' and identify the applicable tax rate eg. 'GST 10%'. Click 'Add new' to apply this transaction to the quick entry. Now you need to allocate the remainder of the amount. Select **'Remainder**' in the Post dropdown and select the correct ledger account, in this case 'Rent'. Click 'Update' and you're finished.

You now have a monthly rent payment transaction that makes the correct journal transaction for the full amount: the Bank account you selected reduces by $500.00 (CR), the tax account receives $45.45 (DR), and the rent expense account is debited $454.55 (DR).

To use your new Quick Entry account select 'Payment' in the Banking and General Ledger tab. In the Payment screen you click 'Quick Entry' in the 'Pay To' dropdown and then click 'Go' (don't forget this step or the entry won't be set up for you). Now you'll see the correct ledger account and amount selected for you automatically. You can override the 'Amount' if you wish, and also allocate a Dimension if you wish. When you click 'Process Payment' button, the correct journal entries will be made for this Bank Payment.

### **Workarounds**

* Tax and other percentages included in known value needs the various percentages re-calculated for use in Quick Entries and the final value is the base value now. See Forum Post.

### **Screenshots**

* Cash Sales
* Bank Payment
* Phone Payment
* Payroll JE | Payroll QE example Forum Post
* Forum Post: At the moment (FA v2.3), the following hold good:
  + GL Account Code should not have any transactions for it to be assigned to a Bank Account (or a Credit Card Account).
  + Bank Account cannot be created by assigning a GL Account that has existing transactions. Begin with an empty GL Account.
  + Bank Account can be edited to be assigned a GL Account Code that has existing transactions, but **Reports=>Bank Statements** will not include any of those pre-existing transactions.
  + Once assigned to a Bank account (or a Credit Card Account), the GL Account cannot be deleted within CRA-Accounting.

# Account Tags

### **Purpose**

The **tags** and **tag\_associations** tables store the filter tags for both **chart\_master** (GL Accounts) and **dimensions** table records. Field tags.type = 1 for **chart\_master** table records.

### **Procedure**

**Banking and General Ledger -> Account Tags**

### **Tips and Tricks**

### **ERD Diagram**

### **SQL of View**

# GL Account Tag View

SELECT

tags.name AS tag\_name

, description

, tags.inactive AS tag\_inactive

, account\_code

, account\_code2

, account\_name

, account\_type

, chart\_master.inactive

FROM

0\_tags AS tags

INNER JOIN 0\_tag\_associations

ON (tags.id = tag\_id)

INNER JOIN 0\_chart\_master AS chart\_master

ON (record\_id = account\_code)

WHERE (tags.type = 1)

# [Currencies](https://frontaccounting.com/fawiki/index.php?n=Help.Currencies?action=browse)

### **Purpose**

To set the Currencies used in FA. The **currencies** table that stores the data.

### **Procedure**

Banking and General Ledger -> Currencies

### **Tips and Tricks**

Setup Exchange Rates

 for each foreign currency.

#### **Foreign Currency Account Work Flow**

If Supplier is dealt with in foreign currency (USD here) but taxes and bank charges need to be managed in home currency (CAD here), then:

* Do a bank account transfer from say Visa => USD account
* Bank payment: to misc; from USD bank account;
  + Choose GST in CoA, enter USD
  + Choose Bank Fees in CoA, enter USD

### **Development Notes**

When **auto\_update** field is set for a currency, exchange rate is retrieved automatically from remote service and stored in **exchange\_rates** table when used in a transaction. Otherwise user must set the rate manually before first transaction using the currency on date.

# [Exchange Rates](https://frontaccounting.com/fawiki/index.php?n=Help.ExchangeRates?action=browse)

### **Purpose**

To obtain the current exchange rates from the web for all other currencies used in the specific FA install for the chosen company vis-a-vis the default currency of the company and then tweak the value before storing it along with an settable date (default today) from which it should be operational.

### **Procedure**

* Currencies acceptable to the company are set in **Banking and General Ledger** -> Currencies
* Default Currency of Company is set in **Setup** -> Company Setup
* Get Current Exchange Rates from the Web and set the optionally tweaked rate and Effective Date at **Banking and General Ledger -> Exchange Rates**
* The Exchange Rate Request page still lists the default currency for choice but does not display the default currency in the rate obtained page.
* If any currency rate is huge against the domestic currency and the rounding errors are getting big, then increase the currency rate decimals in Preferences (**Setup -> Display Setup**) say from 4 to 6 or 8. Forum Post
* Forum Post: Exchange rate is got from selected web source when first transaction on the day made in a given currency is entered. So, if you do not make transactions on every day, you will not have complete exchange rate tables.

### **Development Notes**

* As of FA v2.3.12+ only **rate\_buy** field in the **exchange\_rates** table is used in FA.
* The field **rate\_sell** is not used (may be used in future).
* The **rate\_sell** field is populated with the same value using line 74 (FA v2.3.22+) in **gl/includes/db/gl\_db\_rates.inc**:

add\_exchange\_rate($curr\_code, $date\_, $ex\_rate, $ex\_rate);

* Refer Post.

### **Archive**

We still use **ECB** as our stable exchange rates provider, however, we are avare of that the coverage is not good for South America, Africa and Asia, so we have implemented it so that it is possible to swap provider. In CVS Main, a file called **/gl/includes/db/gl\_db\_rates.inc** has been updated so it is possible to use **YAHOO** or **GOOGLE** instead of **ECB**. Both **YAHOO** and **GOOGLE** have almost all currency rates in the world. These changes are going to release 2.2.2, but if you want this to be available in your 2.2 you will have to download this file from the CVS repository. / viewvc/CRA-Accounting/frontaccount/gl/includes/db/gl\_db\_rates.inc?view=log And you will have to create the following locale.inc file and place it in the /lang/xx\_YY folder, where xx is the language and YY is the country. F.i. en\_US.

<?php

class Hooks {

function retrieve\_exrate($curr, $date)

{

return get\_extern\_rate($curr, 'YAHOO', $date);

//return get\_extern\_rate($curr, 'GOOGLE', $date);

}

}

?>

This will use **YAHOO** instead of **ECB**. Comment the **YAHOO** line and uncomment the **GOOGLE** line if you want to use **GOOGLE** instead. We do not guarantee that the currency rates are provided correctly, but I guess this is better than nothing for countries not served by **ECB**.

### **Troubleshooting**

* Most common errors that prevent the exchange rate from getting into FA is the lack of a proper DNS
* **php5-curl** and possibly **curl**) need to be installed
* Use the following in a script to check some functions availability in FA:

<?php

// Checks PHP functions availability

// Author: Ap.Muthu

// Released on: 2017-10-28

echo 'Curl: ', (function\_exists('curl\_version') ? 'Enabled' : 'Disabled') . '<'.'br>';

echo 'Curl Init: ', (function\_exists('curl\_init') ? 'Enabled' : 'Disabled') . '<'.'br>';

echo 'file\_get\_contents: ', (file\_get\_contents(\_\_FILE\_\_) ? 'Enabled' : 'Disabled');

// FA Function

// echo 'url\_get\_contents: ', (function\_exists('url\_get\_contents') ? 'Enabled' : 'Disabled') '<'.'br>';

?>

* Use the following to check the GOOGLE Exchange Rate Provider and modify it for others

<?php

// This script outputs the GOOGLE Exchange Rate Provider response

// It can be modified for other providers as well

// Author: Ap.Muthu

// First Released on 2017-10-28

// Code based on FA exchange rate acquiring script

// Check that your DNS resolves like with a Trace Route or Ping

$filename = "/finance/converter?a=1&from=USD&to=INR";

$site = "finance.google.com";

ob\_start();

$out = fopen('php://output', 'w');

$contents = '';

$ch = curl\_init();

curl\_setopt($ch, CURLOPT\_VERBOSE, true);

curl\_setopt($ch, CURLOPT\_STDERR, $out);

curl\_setopt ($ch, CURLOPT\_URL, 'http://'.$site.$filename);

curl\_setopt ($ch, CURLOPT\_COOKIEJAR, "tmp/cookie.txt");

curl\_setopt ($ch, CURLOPT\_HEADER, 0);

curl\_setopt ($ch, CURLOPT\_RETURNTRANSFER, 1);

// prevent warning while safe\_mode/open\_basedir on (redirection doesn't occur at least on ECB page)

if (!ini\_get('safe\_mode') && !ini\_get('open\_basedir'))

curl\_setopt ($ch, CURLOPT\_FOLLOWLOCATION, 1);

curl\_setopt ($ch, CURLOPT\_TIMEOUT, 3);

$contents = curl\_exec ($ch);

curl\_close($ch);

$debug = ob\_get\_clean();

echo "<"."pre>".$debug."</"."pre>";

// echo (strlen($contents) > 10) ? 'Curl can get Exchange Rates' : 'Curl Fails';

?>

# Journal Entry

### **Purpose**

Enter general purpose bookings to your accounts.

### **Procedure**

Use following procedure:

* select date (Journal Date means the date when the entry takes effect in FA, Document Date means the date the document/receipt has been generated, Event Date means the date an according event takes/took place effectively; Event Date and Journal Date often are the same).
* check reference number; if you need to change it just enter another one
* go to **Account Code** column and specify account code you want or go to **Account Description** field and select account from drop down list
* enter an amount to Debit or Credit
* click **Add Item**
* click **Process Journal Entry** to enter the document in the journal

### **Tips and Tricks**

* if you don't see an account on the list add it to the Chart of Accounts; an account can be added in another browser window while editing a document; page refresh may be required in order to see the new account on the list
* setup document numbering sequence (reference number) in **Setup** -> Forms Setup
* the reference number is incremented automatically; if different reference number is entered manually in the field, it is not updated in **Forms Setup**
* documents entered in this screen are called **Journal Entry** in the whole system
* inquiry journal entries in **Banking and General Ledger** -> Journal Inquiry
* journal entries can be modified in **Banking and General Ledger** -> Journal Inquiry unless the fiscal year is closed
* journal entries can be voided in **Setup** -> Void a Transaction
* using **Reverse Transaction** option the system will automatically generate additional Journal Entry with reverse booking. This entry will be generated with transaction date set to first date of next month. You can see it in Journal Inquiry with filter dates set to next month.

### **Counterparty in General Journal**

* FA requires a counterparty in G/J when referencing an accounts payable G/L account used by a supplier. Thus using A/P in G/J requires a counterparty.
* You can change the code to remove the restriction or simply use Payments or Deposits for the checking account against the A/P and FA will not require a counterparty.

# Budget Entry

### **Purpose**

Enter budget for each month for each account. Budget entries can be reported against actuals.

### **Procedure**

* Select an Account from the Chart of Accounts
* click **Get** to see actuals
* enter budget items and click **Save**

# Reconcile Bank Account

### **Purpose**

Everytime you get a Bank Statement you would like to check your own values for the period in your Bank Account.

### **Procedure**

* Forum Post

1. Select the account you want to reconcile.
2. Get your bank statement (from the bank)
3. The first time you reconcile you will need to enter a reconcile date and a start balance... Or 0 for the start balance if it is actually a new account.
4. Enter the end balance from the statement
5. Check entries that match the entries from your bank statement
6. If all entries match, **Difference** should be 0. If it is, you are done and you have reconciled your account for the period. If you have some transactions unchecked, they will wait for next bank statement to be reconciled. If you have some transactions on bank statement but absent in system, go to the Bank Payments/Deposits and enter missing transactions, then repeat step 5.
7. All checked items are recorded as reconciled in the bank\_trans table and the last ending balance and reconciled date is recorded for that account in the bank\_accounts table.
8. The next time you reconcile against a bank statement, the ending balance from the last reconciliation is automatically used as the starting balance for this reconciliation. You enter the ending balance for this reconciliation and repeat steps 5-7
9. If you want for some reason to find transactions reconciled with bank statement on given date select the document date with the selector. If you have a lot of bank statements entered you can skip the bank statement selector and enter date of bank statement in Reconcile Date directly. If there is no bank statement reconciled on given date the selector will display **New**.

### **Tips and Tricks**

1. To delete existing reconciliation date, un-tick every bank entry that had been ticked before. When every ticked entry have been un-ticked, the system will automatically delete the reconciliation date.
2. Beginning balance is calculated on the fly as a sum of all reconciled transactions with older date (see get\_max\_reconciled()). See Forum Post.
3. Select reconciliation date with Bank Statement selector, or add new one in Reconcile Date field. Then after first reconciled payment the new date appears in Bank Statement selector.
4. The default selected period is currently 1 month before current date.
5. If you want to tick most or all of the entries on the page, it is faster to click the Reconcile All button on the bottom of the page, and then untick the unneeded entries. This is especially helpful for automatically generated or imported transactions.

### **Outline for Bank Reconciliation Summary Report**

We need a bank reconcliation if we take our trial balance to an external accountant to prepare our books and tax returns at year end as he will want to see a bank reconciliation report to demonstrate that all the data is included.

An outline of the currently missing Bank Reconciliation Summary Report (Forum Post)would be something like:

1. **Bank statement closing balance**: $xxx

**Add**: Unpresented Payments:

* **Payment 1** $xxx
* **Payment 2** $xxx

...

* **Payment n** $xxx

2.**Total Unpresented Payments**: $xxx

**Less**: Unpresented Deposits:

* **Deposit 1** $xxx
* **Deposit 2** $xxx

...

* **Deposit n** $xxx

3. **Total Unpresented Deposits**: $xxx

4. **Calculated Reconciled Balance (1+2-3)**: $yyy

5. **Cashbook Computer Balance**: $yyy

6. **Difference (4-5)**: $0.00

# [Revenue / Cost Accruals](https://frontaccounting.com/fawiki/index.php?n=Help.RevenueCostAccruals?action=browse)

### **Purpose**

Revenue / Cost Accruals is a way of distributing the revenue / cost accruals into periods where the revenue / cost should have been taken.

### **Procedure**

##### Example

You pay a yearly Insurance for your stocks for $2000. This is paid in January. Credit Bank Account $2000. Debit would be an accrued balance account in the assets section. Not the normal expense account for insurance.

Now you decide to Accrual this expense from your accrued balance account into the expense account for insurance during 12 periods of 1 month.

This is what this module handles, but with more selectable frequencies!

### **Tips and Tricks**

#### **Lease Rent Example**

Assume you pay an annual lease of Rs. 40,000/- in April (Indian Accounting year begins on Apr 1st and ends on Mar 31st but the govt is looking into fiddling with it now) and would like to account for it as an expense each quarter to help with proper costing of overheads, then this module will apportion the amount into 4 equal parts as if payable at the beginning of each quarter.

2015-04-01 By Property Owner Cr. 10000

2015-04-01 To Lease Expenses A/c Dr. 10000

2015-05-16 To Property Owner Dr. 40000

2015-05-16 By Bank Chq A/c Cr. 40000

2015-07-01 By Property Owner Cr. 10000

2015-07-01 To Lease Expenses A/c Dr. 10000

2015-10-01 By Property Owner Cr. 10000

2015-10-01 To Lease Expenses A/c Dr. 10000

2016-01-01 By Property Owner Cr. 10000

2016-01-01 To Lease Expenses A/c Dr. 10000

# Trial Balance

### **Purpose**

Account actuals are reported for selected dates. Drill down to accounts and documents.

### **Procedure**

Accounts are grouped by GL Account Classes.

# Balance Sheet Drilldown

### **Purpose**

Balance sheet data are reported for selected dates. Drill down to accounts and documents.

### **Procedure**

Accounts are grouped by GL Account Classes.

# Profit And Loss Drilldown

### **Purpose**

P&L actuals are reported for selected dates. Drill down to accounts and documents.

### **Procedure**

Accounts are grouped by GL Account Classes.

# [Reports and Analysis](https://frontaccounting.com/fawiki/index.php?n=Help.ReportsAndAnalysis?action=browse)

### **Purpose**

**Report Classes and their Reports:**

• Customer

o 101 - Customer Balances

 Forum Post: Select Show Balance to be like GL without Allocations, otherwise only fixed allocations will be used.

 Forum Post: Rounding off SUM Errors when converted from other currencies - Comparison Screenshot

 Forum Post: Allocate Bank Payment to Customer Credit Note on goods returned on originally allocated Sales Invoice

o 102 - Aged Customer Analysis

 Forum Post: Select Show also allocated to get correct GL result, otherwise only fixed allocations will be used.

 Forum Post: "All currency" customers are presented in company currency together with customers in the same currency as the company. Only when a customer is selected that customers currency is presented.

o 103 - Customer Detail Listing

o 104 - Price Listing

o 105 - Order Status Listing

o 106 - Salesman Listing

o 107 - Print Invoices | Condensed Format and it's Modified Code

o 108 - Print Statements

o 109 - Print Sales Orders - Change Line Spacing

o 110 - Print Deliveries - Also handles Packing Lists. | Bin Locations in Packing List

o 111 - Print Sales Quotations

o 112 - Print Receipts

o 113 - Print Credit Notes

o 114 - Customer Sales Summary Report

o 115 - Customer Trial Balance Report

• Supplier

o 201 - Supplier Balances- Forum Post: Select Show Balance to be like GL without Allocations, otherwise only fixed allocations will be used.

o 202 - Aged Supplier Analyses

 Forum Post: Select Show also allocated to get correct GL result, otherwise only fixed allocations will be used.

 Forum Post: "All currency" suppliers are presented in company currency together with suppliers in the same currency as the company. Only when a supplier is selected that suppliers currency is presented.

o 203 - Payment Report

o 204 - Outstanding GRNs Report

o 205 - Supplier Detail Listing

o 206 - Supplier Trial Balance Report

o 209 - Print Purchase Orders

o 210 - Print Remittances

• Inventory

o 301 - Inventory Valuation Report

o 302 - Inventory Planning Report

 Forum Post: See line 175 - First the maximum of the last 4 months is calculated. Then this maximum is multiplied with 3 to get a 3 months estimate. This is based on known methods to know the needed stock in advance and to eliminate the risk for one-time sales.

o 303 - Stock Check Sheets

o 304 - Inventory Sales Report

o 305 - GRN Valuation Report

o 306 - Inventory Purchasing Report - as of v2.3.13 Build 3133

o 307 - Inventory Movement Report - as of v2.3.14 Build 3159

o 308 - Costed Inventory Movement Report - as of v2.3.15+ Build 3224

o 309 - Item Sales Summary Report - as of v2.3.15 Build 3231 and as an extension for prior builds

o 310 - Inventory Purchasing - Transaction Based Report - as of v2.4.3+ Build 20171215

• Manufacturing

o 401 - Bill of Material Listing

o 402 - Work Order Listing

o 409 - Print Work Orders

• Fixed Assets

o 451 - Fixed Assets Valuation

• Dimensions

o 501 - Dimension Summary

• Banking

o 601 - Bank Statement | Forum Post: Mod to show Person / Item if not Supplier / Customer - Mod a

o 602 - Bank Statement w/ Reconcile

• General Ledger

o 701 - Chart of Accounts - Page 1 | Page 2

o 702 - List of Journal Entries

o 703 - GL Account Group Summary (Absent)

o 704 - GL Account Transactions

o 705 - Annual Expense Breakdown

o 706 - Balance Sheet

o 707 - Profit and Loss Statement | Period Y-1

o 708 - Trial Balance

o 709 - Tax Report

o 710 - Audit Trail

# GL Accounts

### **Purpose**

General Ledger Accounts record the transactions that define value of the business. Every transaction in the business is recorded against an Account, either as a Debit or Credit. In double entry book keeping a particular operation within a business will generate transactions that add up to zero, i.e. Sum Debits - Sum Credits = 0. For example is you buy an asset for $10,000 you will have a debit of $10,000 on your bank account and a credit of $10,000 on your asset account.

In CRA-Accounting the Account ID can be numeric, alphanumeric or capitalised alphanumeric. This is controlled by the setting of the flag $account\_alpha in config\_default.php

Each Account is assigned to an Account Group (see Account Groups). This is used in reporting, for example the Trial Balance will list Accounts by Group. Also when you select an Account anywhere in CRA-Accounting the list will be in Group/Account sequence.

You do not have to set up your Chart of Accounts from scratch, there are several different Charts of Account built in, all you have to do is install the one most relevant to your business

### **Procedure**

Enter an Account Code in the chosen format. This needs to be unique.

If you want a secondary ID enter it in Account Code 2. This is not part of the key.

Enter a meaningful name

Select the Group you want your account to be part of.

Enter tags for help in finding your account.

Click on Add New

### **Tips and Tricks**

Put a structure into your account codes so it is easy to identify where in your Charts it belongs, for example 0xxx for all Capital Assets.

There seems to be a bug in this form. If you try and enter a code that exists you do not get an error message.

Bank accounts are not shown in Journal Entry if Bank Related Accounts are enabled for the User Role. Use the bank deposit or bank payments.

If you need to operate on account with **negative balance** it cannot have type **Cash account** selected when acount is created. Choose another account type e.g. **Credit Account**.

# [GL Account Groups](https://frontaccounting.com/fawiki/index.php?n=Help.GLAccountGroups?action=browse)

### **Purpose**

I guess you already have observed that an account belongs to a group (type). And a group (type) belongs to a class. Depending on how your country wants to present the balance sheets and profit and loss statements, you can build these rules with help of groups (types) and classes.

When a balance sheet is printed it is sorted on 1. class, 2. group(type) and last the account itself. As you see the accounts are not necessarily printed out in account number order. First the Title for the first Class is printed, Then the Title for the first Group is printed. Then the accounts within this group are printed. When a new group is coming, the totals within the old group group is printed before the title of the next group is printed. The same thing happens when a new class is coming. The total for the old class is printed and the title of the new class is printed and so on. By arranging the classes/groups you can present your balance sheets and PL statements your own way. By also using sub-groups (a group belonging to another group) you can create even more sophisticated aggregators. But this is more acvanced.

### **Procedure**

* Define/Review [Acount Types](https://frontaccounting.com/fawiki/index.php?n=Help.GLAccountClasses)
* Set Account Groups
* Set [GL Accounts](https://frontaccounting.com/fawiki/index.php?n=Help.ChartOfAccounts)

### **Tips and Tricks**

##### I need to re-arrange the Account Groups/Classes. How do I do that?

As default the groups are numbered from 1-12. And Classes default from 1-4

Remember that the Balance Sheet/Profit and Loss Statement and Monthly Break down are ordered by class/group/account

Let us start with the groups. For now let the old groups be there. Enter your groups and start f.i. with number 20. Enter all the groups you want in right order. Make a gap between them of 5. Then you can easily insert new groups if you need one. Now go into the GL Accounts and enter your new groups on each account one by one. It is now time for you to delete the old groups 1-12.

If you want to rearrange the classes. Start by entering the classes at number 10 and again make a gap of 5. Go back to the GL Account Groups and select your new classes on each group. And finally you can delete your old classes.

That's it.

##### Using of multi level sub-types of account groups.

The current account Types/Groups setup with sub-levels allow up to several levels of account Types/Groups.

##### Examples

@@Setting up sub-levels:

Parent Level   
1 Assets Class   
1 Short term -1 Type/Group 1   
2 Current Assets 1 Type/Group 2   
3 Bank Accounts 2 Type/Group 3   
1065 Bank 5 Account   
4 Long term -1 Type/Group 1   
1500 Inventory 2 Account   
a.s.o@@

First there are classes. Then there are Types/Groups in 1-3 levels. And finally the Account itself. In this example the 2 Current Assets is a sub-group of Type/Group 1 Short term. And 3 Bank Accounts is a sub-group of Type/Group 2 Current Assets.  
@@Another way of setting up the Types/Groups.

Parent Level   
1 Assets Class   
1000 Short term -1 Type/Group 1   
1001 Current Assets 1000 Type/Group 2   
1002 Bank/Cash 1001 Type/Group 3   
1003 Bank 1002 Type/Group 4   
1065 Cheque Account 1003 Account   
1100 Long term -1 Type/Group 1   
a.s.o@@

Here you can have 4-5 levels of Types/Groups. The Types/Groups must be in sorted order inside the class. This example is somewhat exaggerated. In my opinion. I am satisfied with only one level of account Types/Groups. But some countries/organizations may require more levels of accounts Types/Groups.

# [GL Account Classes](https://frontaccounting.com/fawiki/index.php?n=Help.GLAccountClasses?action=browse)

### **Purpose**

The Chart of Accounts within CRA-Accounting is defined by Type, Class, Group and Account. All transactions are charged to an Account. Groups, classes and types are used to group transactions together for reporting purposes.

Types are the highest level and are set within the system. The following Types have been defined:

Assets (1)

Liabilities (2)

Equity (3)

Income (4)

Cost of Goods Sold (5)

Expenses (6)

The Balance Sheet includes accounts that fall into types 1,2 and 3 whilst the Profit and Loss account includes accounts in types 4,5 and 6.

### **Procedure**

You will need to do this before you set any Account Groups. Add an ID that does not already exist, enter a name and select a Class Type. Click on **Add New**.

### **Tips and Tricks**

You can create as many classes as you like. When you do a Trial Balance the entries will be totaled by class.

Note: There is a misuse of terminolgy within CRA-Accounting. In the Account Class one of the fields is Class Type. This is the Type refered to above. In the Account Group screen there is also a Class Type field. This is the Class refered to above. If you try and delete an Account Class that has Groups defined for it you will get an error message saying it has GL Account Types refering to it. It really means Groups.

Look at GL Account Groups for tips on changing sequences of accounts, groups and classes

# [Revaluation of Currency Accounts](https://frontaccounting.com/fawiki/index.php?n=Help.RevaluationOfCurrencyAccounts?action=browse)

### **Purpose**

You may unmark the automatic Revaluation of Currency Accounts that is default set in Company Setup. Then you decide yourself when you want to run these revaluations. At least you should do that on Fiscal Year End.

This is operation recalculates value of your foreign currency savings in GL using current daily exchange rate.

### **Procedure**

For specific Currency: **Banking and General Ledger -> Currencies -> Automatic exchange rate update** and for default value: **Setup -> Company Setup -> Automatic Revaluation Currency Accounts**.