Infor Infinium FMS General Ledger Guide to Currency Processing

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About This Guide

This section focuses on the following information:

- Audience, purpose, and organization of this guide
- Conventions used in this guide

Intended Audience

This guide is for Infinium General Ledger users who are responsible for creating and maintaining the currency processing controls in Infinium General Ledger. It is also for those users who work with base, secondary and foreign currencies in daily processing.

Purpose of This Guide

Use this guide as a reference at your site and also to complement the instructor's presentation during a portion of the Infinium General Ledger Currency Processing course.

Organization of This Guide

This guide is task oriented. We have grouped related tasks into parts. Each chapter contains overview information and step-by-step instructions to lead you through the tasks.

Conventions Used in This Guide

This section describes conventions that we use in this guide as follows:

- Fonts and wording
- Function keys
- Character-based vs. graphical-based interface
- Prompt and selection screens
- Promptable fields
- Infinium applications and abbreviations

Fonts and Wording

Convention	Description	Example
Italic typeface	Menu options and field names The guide uses the same abbreviations as the screen.	*Work with company controls* Use *Max Lnth* to specify the maximum length of alpha user fields.
Bold standard typeface	Used for notes, cautions and **WARNING**s	**Caution:** You must ensure that all Infinium GL users are signed off before reorganizing and purging. If there are jobs in the queue, those files will not be reorganized.
`Bold monospaced typeface`	Characters that you type and messages that are displayed	Type **`A`** to indicate that the position is alphanumeric and type **`N`** to indicate that the position is numeric. The following message is displayed: **`Company not found`**
F2 through F24	Keyboard function keys used to perform a variety of commands.	Press F2 to display a list of available function keys.

Convention	Description	Example
F13 through F24	Function keys higher than F12 require you to hold down the Shift key and press the key that has the number you require minus 12.	Press F21 to perform an override.
Select	Choose a menu option or choose a record or field value after prompting.	Select *Work with journals* and press Enter. Select **M** (monetary account), **S** (statistical account), **B** (both), N (non-posting account), U (user fields) as the *Account use* value.
Press Enter	Provide information on a screen and when you have finished, press Enter to save your entries and continue.	Press Enter to save your changes and continue.
Exit	Exit a screen or function, usually to return to a prior selection list or menu. May require exiting multiple screens in sequence.	Press F3 to return to the main menu.
Cancel	Cancel the work at the current screen or dialog box, usually to return to the prior screen.	Press F12 to cancel your entries.

Convention	Description	Example
Help	To access online help for the current context (menu option, screen or field), press Help (or the function key mapped for help). To move through the other applicable levels of help, press Enter at each help screen. To return directly to the screen from which you accessed help, exit the help screen by clicking Exit or by pressing F3.	Press Help for more information about the current field.
[Quick Access Code]	Quick access codes provide direct access to functions. Most quick access codes in Infinium GL consist of the first letter of each word of the menu option name. Quick access codes are listed on the Menu Tree and in the path for each task next to the executable function.	Select *Work with company controls* [WWCC].
Publication titles	Unless otherwise stated, titles refer to Infinium applications and use standard name and abbreviations.	*Infinium General Ledger Guide to Controls* is referred to as *Infinium GL Guide to Controls.*

Function Keys

Infinium AM function keys and universal Infinium GL function keys for the IBM AS/400 or iSeries are described in the following table. All Infinium GL function keys are identified at the bottom of each screen.

Function Key	Name	Description
F1	Help	Displays help text

Function Key	Name	Description
F2	Function keys	Displays window of valid function keys
F3	Exit	Returns you to the main menu
F4	Prompt	Displays a list of values from which you can select a valid entry
F10	Quick Access	Enables you to access another function from any screen Type the quick access code in *Level*. You can change the application designator, such as PA, GL, IC and so forth, by selecting another application.
F12	Cancel	Returns you to the previous screen
F22	Delete	Deletes selected item(s)
F24	More keys	Displays additional function keys at the bottom of the screen

Character-based vs. Graphical-based Screens

The sample screens in this guide may be either character-based or graphical based. Samples of both are included below.

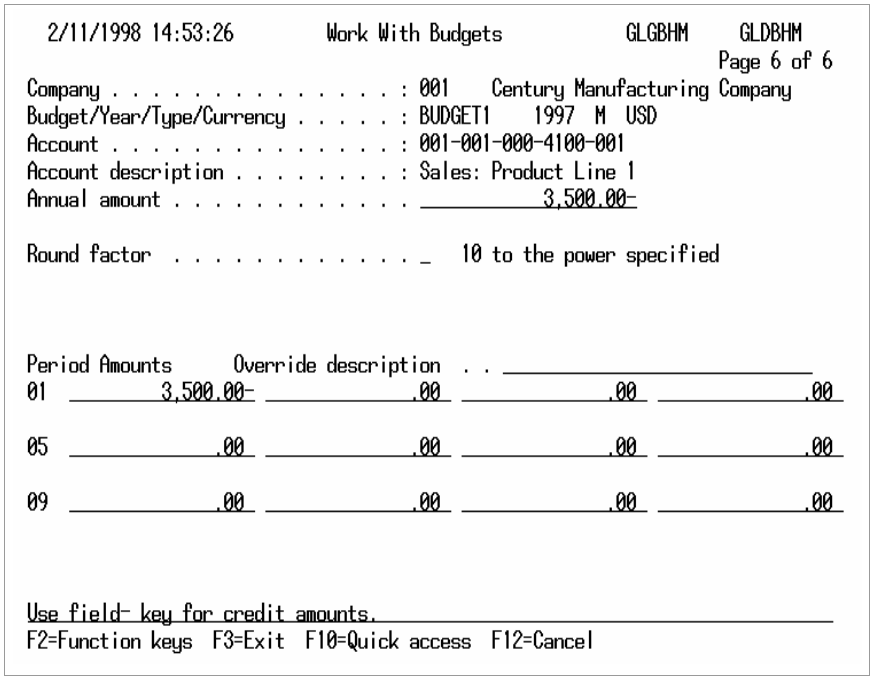


Figure 1: Sample character-based screen for Infinium FM suite

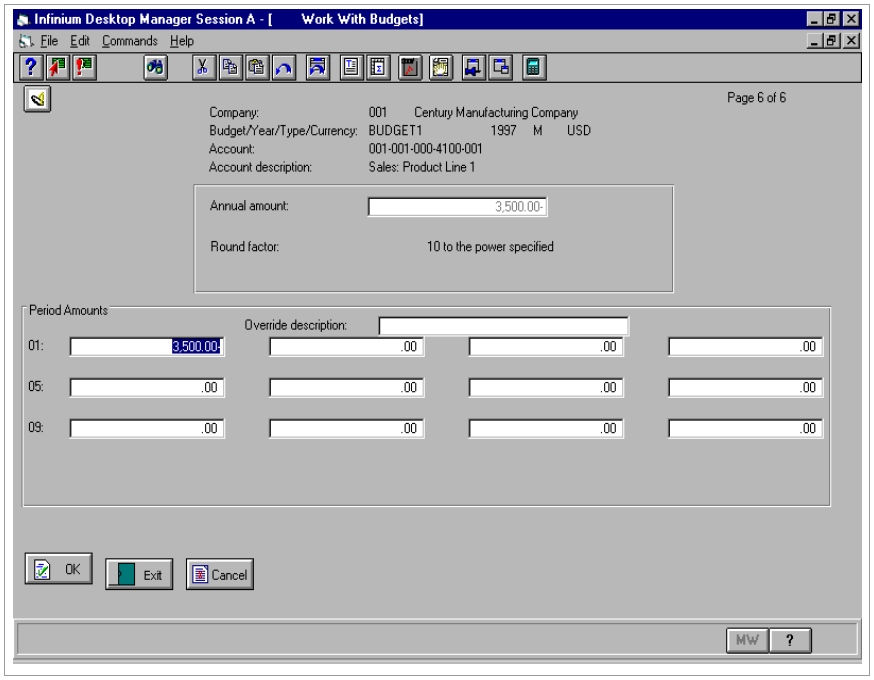


Figure 2: Sample graphical-based screen for Infinium FM suite

Prompt and Selection Screens

A prompt screen as in Figure 3 lets you access a record or subset of records in a file. A selection screen as in Figure 4 lets you select one or more records for an action.

When we first explain a task in this guide, we fully document how to access and use the applicable prompt and selection screens. For related tasks, we include the prompt and selection screen steps but we do not repeat the screen images.

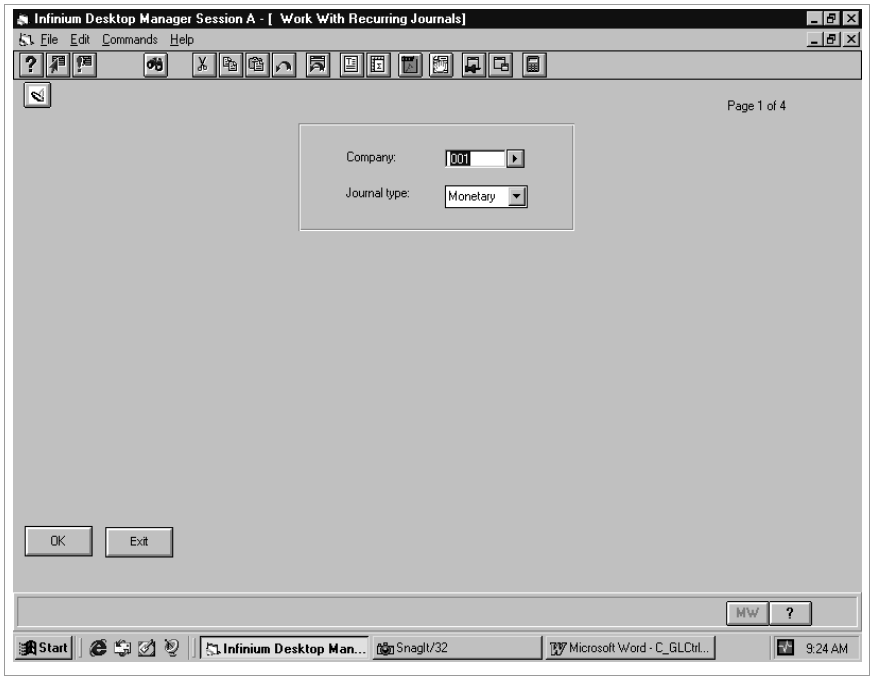


Figure 3: Work With Recurring Journals prompt screen

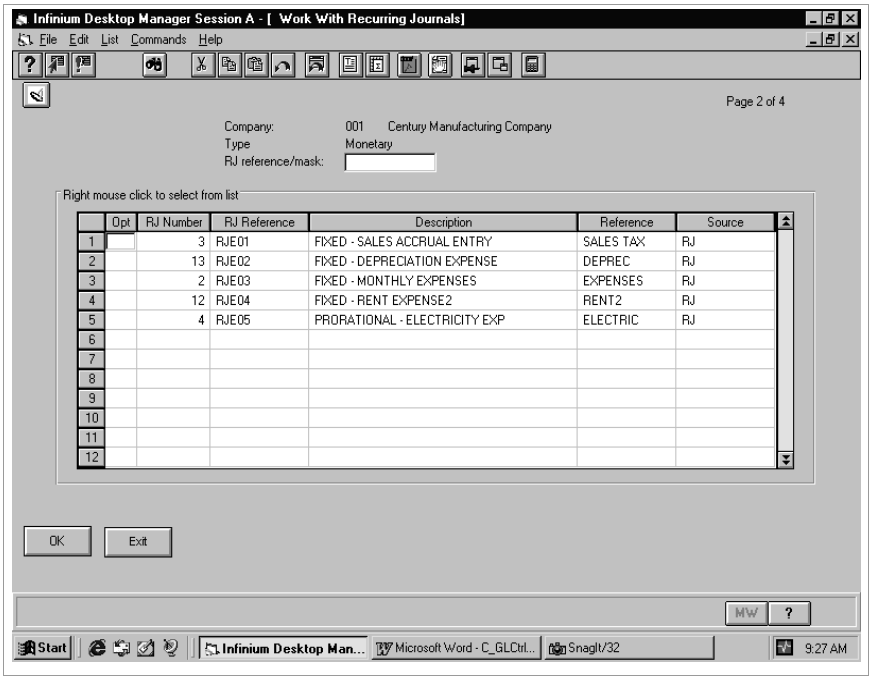


Figure 4: Work With Recurring Journals selection screen

Promptable Fields

A plus sign displayed next to a field indicates that you can choose your entry from a list of possible values. Place the cursor in the field and press F4 to display a list of values.

To select an entry perform one of the following:

- Position the cursor at the desired value, type **1** and press Enter.
- Type the value in the appropriate field.

Infinium Applications and Abbreviations

The following table lists Infinium names and the corresponding product abbreviations that are associated with this product.

Application	Abbreviation
Infinium Application Manager Infinium Application Manager Extended	Infinium AM Infinium AM/X
Infinium Customer Relationship Management Suite	**Infinium CRM**
Infinium Customer Integration	Infinium CI

Application	Abbreviation
Infinium Customer Relationship Management	Infinium CRM
Infinium Financial Management Suite	**Infinium FM**
Infinium Accounts Receivable	Infinium AR
Infinium Currency Management	Infinium CM
Infinium Financial Products	Infinium FP
Infinium Fixed Assets	Infinium FA
Infinium General Ledger	Infinium GL
Infinium Global Taxation	Infinium GT
Infinium Income Reporting	Infinium IR
Infinium Payables Ledger	Infinium PL
Infinium Project Accounting	Infinium PA
Infinium Purchasing/Payables Exchange	Infinium PX
Infinium ReportWriter	Infinium RW
Infinium Human Resources Suite	**Infinium HR**
Infinium Flexible Benefits	Infinium FB
Infinium Human Resources	Infinium HR
Infinium Human Resources/Payroll	Infinium HR/PY
Infinium Human Resources International	Infinium HR/UK
Infinium Payroll	Infinium PY
Infinium Training Administration	Infinium TR
Infinium Materials Management Suite	**Infinium MM**
Infinium Cross Applications	Infinium CA
Infinium Electronic Exchange	Infinium EX
Infinium Inventory Control	Infinium IC
Infinium Journal Processor	Infinium JP
Infinium Order Processing	Infinium OP
Infinium Purchase Management	Infinium PM
Infinium Process Manufacturing Suite	**Infinium PR**
Infinium Advanced Planning	Infinium MP
Infinium Formula Management	Infinium PF

Application	Abbreviation
Infinium Laboratory Management	Infinium LA
Infinium Manufacturing Control	Infinium MC
Infinium Regulatory Management	Infinium RM

Related Documentation about Infinium General Ledger

Infinium General Ledger guides are available on the Infinium Navigator documentation CD. For more on Infinium General Ledger and Infinium ReportWriter refer to the following:

- *Infinium GL Guide to Controls*
- *Infinium GL Guide to Processing and Reporting*
- *Infinium GL Mass Journal Entry Quick Reference Card*
- *Infinium GL Menu Tree*
- *Infinium GL Guide to ReportWriter*
- *Infinium GL Technical Guide*
- *Infinium CM Guide to Setup and Processing*
- On-line help text

Chapter 1 Infinium GL: An Overview

1

The chapter contains Infinium GL system overview information and consists of the following topics:

Product Information

Infinium GL is a software application that provides you with such features as: free-format chart of accounts; chart of reporting, masking, intercompany, intracompany, allocations, multicurrency processing, weekly reporting, account-level security, and interactive inquiries.

All other Infinium Financial Management applications are integrated with Infinium GL.

Application Overview

Controls

Infinium GL provides you with several functions that enable you to customize your system to meet your processing needs.

Through control file functions, you define system wide and company specific values that manage your system. Entity controls contain system wide information such as your system date format and internal counters used by Infinium GL. Company controls contain accounting period data, budget information, the account number structure, report totaling specifications and posting data.

Chart of Accounts

To define your account number structure for each company, you can use a maximum of 36 alphanumeric characters and 9 components. Additional chart of accounts features provide you with further control. For example, you can define maximum debit or credit amounts to specific accounts, or you can restrict specific accounts to certain journals.

Processing

Computer processing is either batch or interactive. In batch processing, a predefined group of processing actions submitted to the system are performed with little or no interaction between the user and the system. In contrast, interactive processing requires the user to interact with the system by entering data for the system to process and respond to immediately.

Journal Processing

You enter journals in Infinium GL in a batch. A batch can contain only monetary entries or only statistical entries.

The system provides a recurring journal function. You can repeatedly select these journals to include in a batch and update the entries as needed. In addition, you can perform intercompany or intracompany processing, create

transcoded journals, and create allocation journals within Infinium GL. You can also create journals in Infinium ReportWriter or upload journals from a spreadsheet.

Once the journals have been entered, you should proof the batch to check the accuracy of the data. After proofing, you accept and post the batch to the general ledger. You are not required to run a separate proof of the batch because the system automatically runs a proof when you post the batch.

Budget Processing

Infinium GL also provides budgeting functions to create budgets based on actual data, ratios or other budget accounts. You can create budget journals in Infinium ReportWriter or upload journals from a spreadsheet.

Year End Processing

This function generates a year end closing journal that creates reversing entries to set the income and expense accounts to zero with the net balance posted to Retained Earnings. In addition the system carries the asset and liability balances forward to the following year.

Currency Processing

In combination with Infinium Currency Management, Infinium GL provides you with the ability to process and report financial information in foreign currencies. The system provides functions that you can use to revalue financial balances and translate your financial data.

Reports

Infinium GL provides system-generated reports. In addition you can create your own reports using Infinium ReportWriter.

Standard Reports

You can run month-to-date and year-to-date reports and inquiries within Infinium GL. The system includes functions for selective or comparative ledgers, selected journals, and job costing analysis. These reports can be run in batch or through on-line inquiries.

Infinium ReportWriter

Infinium ReportWriter uses definitions at the column, line and cell levels. You can define the format and content of financial reports specific for your organization. Infinium ReportWriter allows you to create report definitions for multiple companies, divisions and departments. Once you define the reports, you can run them as often as you like.

Infinium Financial Manager Powered by Cognos® Finance

If you are using Infinium Financial Manager powered by Cognos® Finance to generate reports, refer to the *Infinium Financial Manager Powered by Cognos® Finance Implementation Workbook*.

Infinium Reporting Manager

If you are using Infinium Reporting Manager to generate reports, please refer to the *Guide to Infinium Reporting Manager*.

Infinium Analysis Manager

If you are using Infinium Analysis Manager to generate reports, please refer to the online help text.

Figure 1-1 illustrates the controls, processing, and reporting areas of Infinium GL.

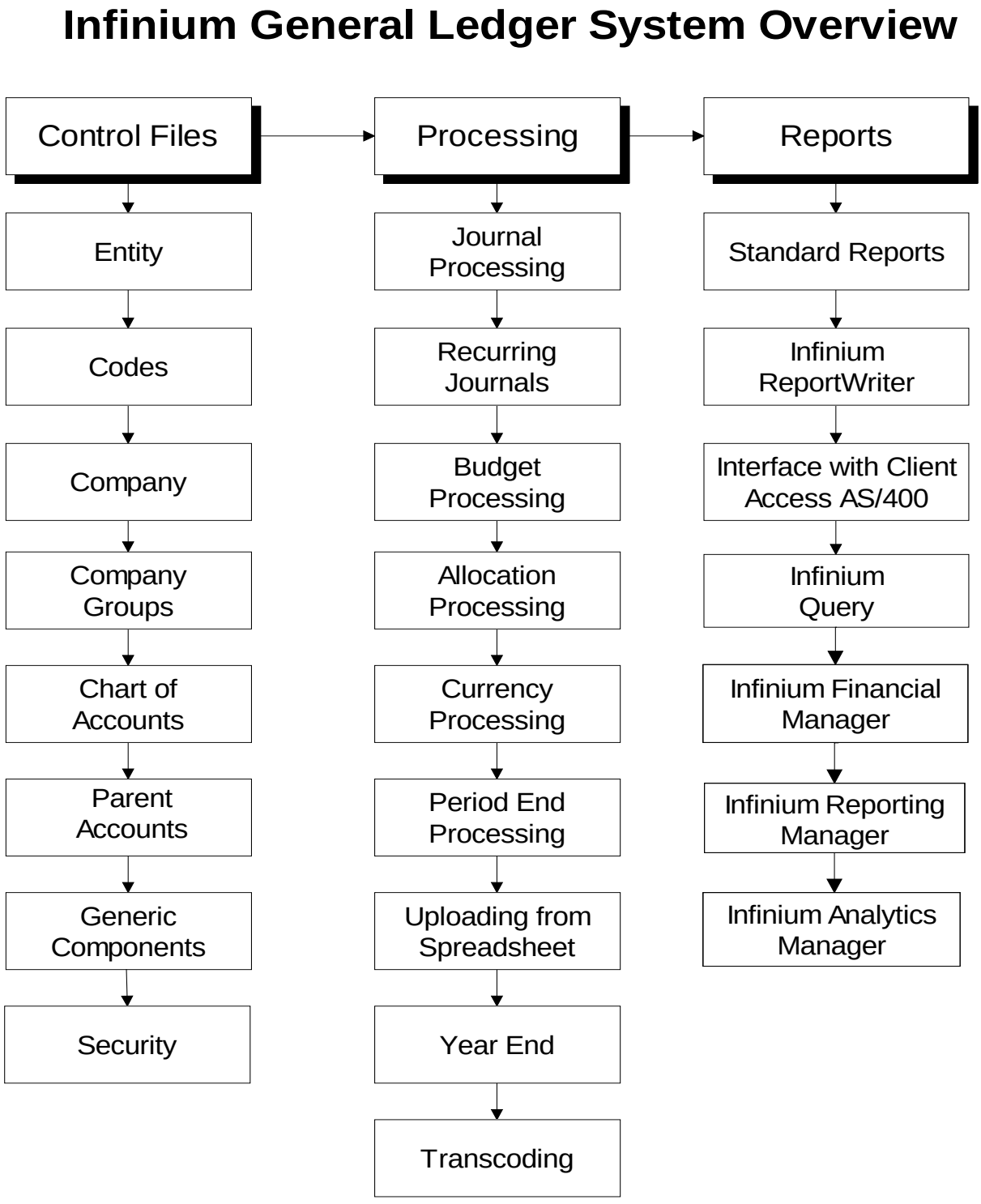


Figure 1-1: Infinium GL Application Overview

Conventions Used in Infinium GL

Field Size

The length of all database currency amount fields is 17 digits in Infinium GL with a decimal precision of two (17,2). Screen and report currency amount fields, however, are 13,2. The system displays zero decimal currency amounts on screens and reports with 13,0 as the maximum size. The maximum integer length stored in the database is 15 for both two decimal and zero decimal currency amounts.

Zero Decimal Point Precision

Infinium GL retrieves the decimal precision of the currency from the *Implied decimal precision* field in the currency record in Infinium CM. If you specify zero decimal precision for the currency, you cannot enter decimals in an amount field.

Infinium GL also supports zero decimal place rounding and truncating in calculations. Entity controls in Infinium CM contain a *Round or truncate*? field.

- If the Infinium CM setting specifies truncating an amount, the system assumes that the rounding factor is zero and truncates the decimal portion of the number.
- If the Infinium CM setting specifies rounding, the system assumes that the rounding factor is five. That is, if the decimal portion of the result is greater than or equal to .50, the system rounds this number up.

Terminology and Concepts

This section contains Infinium GL terminology that you should understand before you continue to the detailed parts of this guide. These concepts are used throughout the entire system.

Entity

Entity refers to information and controls that are applicable to the entire Infinium GL system. For example, an entity control that you define is the date format that your system uses. Because this control is at the entity level, all companies use the same date format. Entity controls are defined once.

Code Types and Code Values

Code types and code values define validation tables. A code type is a three-character designator defined by the system, which names the table. For each code type, you assign a list of values; these values are called code values. For example, code type **AYR** defines accounting years. You define code values for this code type such as 2000, 2001 and 2002.

Ranges

Ranges are used to select a consecutive grouping of account numbers. Infinium GL selects the first account specified in the *From* field up to and including the last account specified in the *To* field.

For example, Company 001 has the following account structure:

Company-Division-Department-Account-Sub Account

Expense accounts contain **5000** in the account component. To select all expense accounts for Company 001, Division 100, and Department 10, you type the following account range:

From: **001-100-010-5000-001**
To: **001-100-010-5000-999**

Another way to type the above range follows. This method is referred to as a smart range.

From: **001-100-010-5000**
To: **001-100-010-5000**

Masks

Masking is a technique used to select multiple account numbers. When you use masking rather than ranges, Infinium GL selects all account numbers that match the mask that you entered. You type specific values to delimit your selection and use the asterisk (*) as a wild card.

For example, Company 001 has the following account structure:

Company-Division-Department-Account-Sub Account

Expense accounts have 5000 in the account component. To select all expense accounts for Company 001, type the following account mask:

001-*-***-5000-*****

A shorter way to type the above mask is to use a keying shortcut.

001.*.*.5000.*

Keying Shortcuts

Your account numbers can be very lengthy numeric or alphanumeric combinations. To make it easier to type account numbers, Infinium GL provides you with several keying shortcuts.

Short Name

You can assign a unique name for each account number. You then can use this name in place of typing the full account number for which it is assigned. For example, if you assign the short name “Cash” to a particular account, you can type **Cash** in place of the full account number.

Period

Regardless of the break character you use in your account structure, you can use a period to delimit components when typing an account number.

Default Account Number

You can assign an account number in the *Work with user security controls* function to be used as a default account number for a specific user. For example, if the account 001-001 is defined as your default account number, you can type the following for the account 001-001-003:

..3

The periods denote the use of the two components defined as your default account.

Justify & Fill

In company controls you define justification and fill characters that the system uses to expand an account number typed using a keying shortcut. For example, suppose Company 001 is defined with all of its components right justified and zero as the fill character. You type an account number using the period keying shortcut as follows:

001.1.3

The system expands the account number to the proper number of characters using the justification, fill characters, and length of each component as shown below:

001.001.003

001.001.003.

Chapter 2 Infinium CM and Infinium GL Currency Processing: An Overview

2

This chapter of the guide provides an overview of Infinium Currency Management as well as an overview of Infinium General Ledger currency processing.

The chapter consists of the following topics:

Infinium CM Product Information

Infinium CM allows you to establish and maintain centralized currency relationships, controls, and exchange rates that can be accessed by many Infinium applications.

Infinium GL uses a currency application interface to retrieve exchange rate information, converted amounts, or both, from Infinium CM.

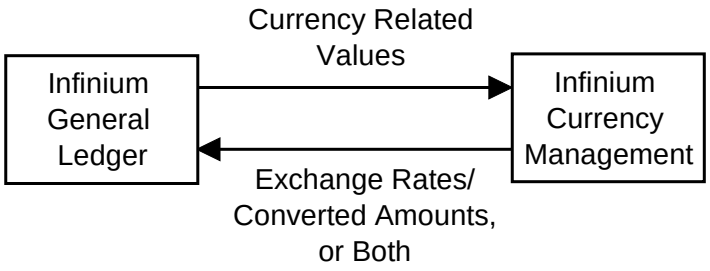


Figure 2-1: Relationship between Infinium GL and Infinium CM

When Infinium GL needs an exchange rate or converted amount, it passes currency related values to Infinium CM.

Infinium CM returns the exchange rate, the converted currency amount, or both, to Infinium GL based on the following principles:

- If the exchange requires triangulation, Infinium CM returns the target amount to Infinium GL.
- If the exchange does not require triangulation, Infinium CM returns the exchange rate to Infinium GL. Infinium GL uses this exchange rate to calculate the target amount.

For more information on multi-currency processing, refer to the *Infinium CM Guide to Setup and Processing*.

Infinium CM Controls and Information Flow

Before you can enter exchange rates in Infinium CM, you must set up the following Infinium CM controls:

- Currency Controls

  You create controls for each currency, including a three-character code for the currency.

  For example, you can establish USD as the code for United States dollars or CDN as the code for Canadian dollars.

- Rate Types

  Rate types indicate how often you enter exchange rates. For each rate type, you specify a frequency of daily, weekly, or monthly. Rate types allow you to establish different rates of exchange between the same two currencies for different purposes.

  For example, you can establish a rate type that you maintain monthly for translation and a rate type that you maintain daily for journal entry conversion.

- Exchange Rate Controls

  Once you have set up the controls for the currencies and rate types, you define exchange rate controls to establish the relationship between two currencies and a rate type. You can reuse rate types and currency controls to define as many combinations as you need.

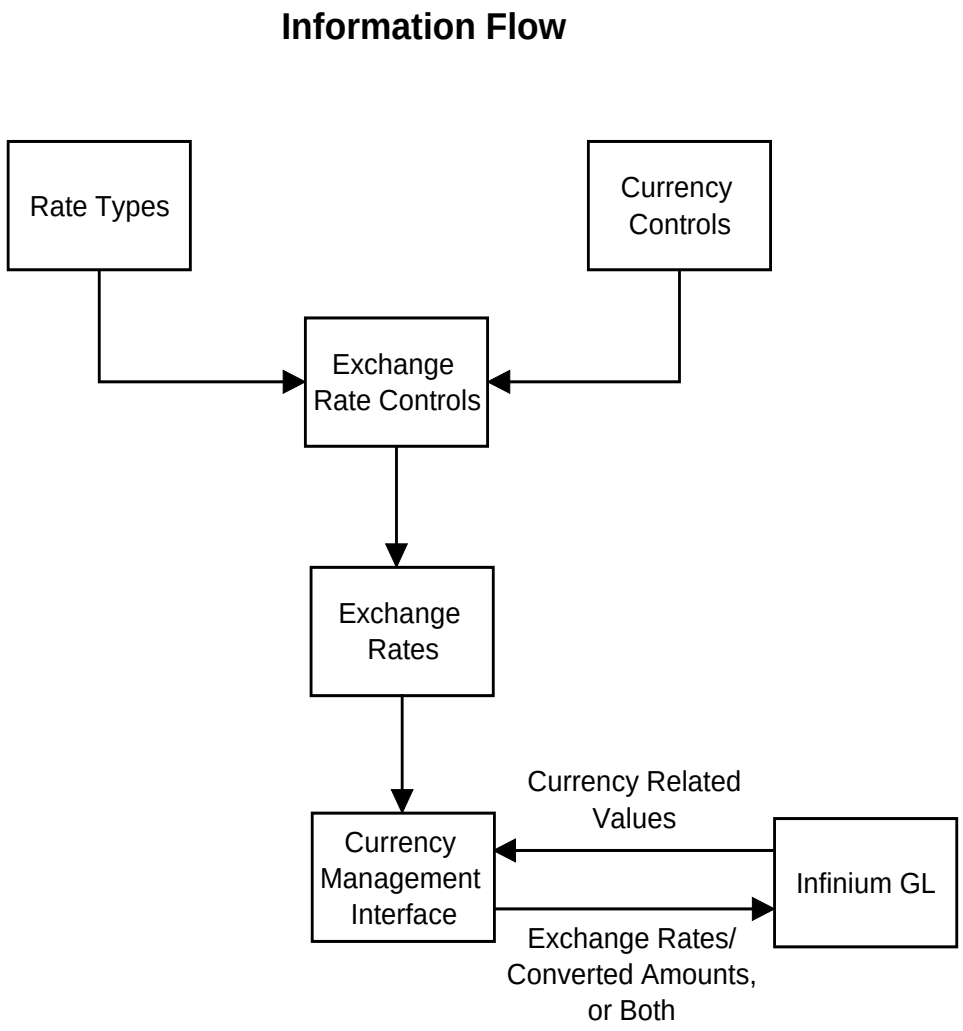


Figure 2-2: Infinium CM Information Flow to Infinium GL

Currency Processing Flow within Infinium GL

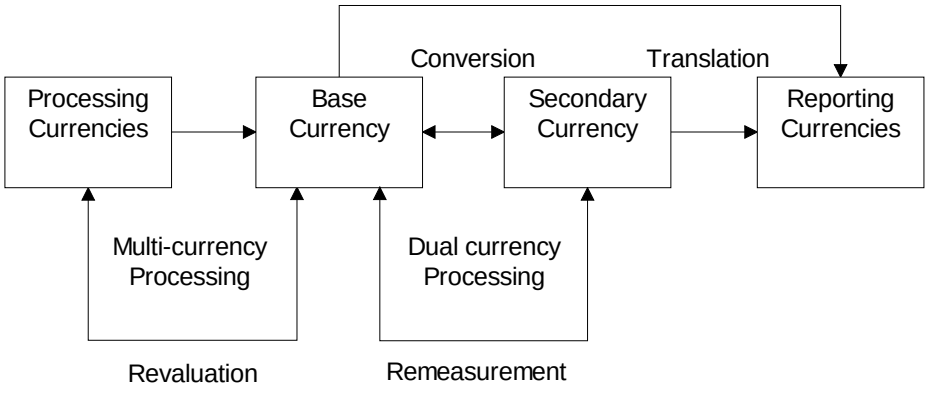


Figure 2-3: Currency Processing Flow within Infinium GL

For detailed information about the Infinium CM system, refer to the *Infinium Currency Management Guide to Setup and Processing*.

Overview of Infinium GL Currency Processing

In Infinium GL you can do the following:

- Define a base and secondary currency to maintain two separate ledgers in two different currencies for a single Infinium GL company.
- Denominate accounts in a foreign currency to restrict their use in foreign currency journals only.
- Enter journal transactions in the base currency, secondary currency or any foreign currency. The system converts the transaction amounts from the foreign currency to the base currency, from the base currency to the secondary currency or from the secondary currency to the base currency.
- Revalue the foreign currency amount of foreign denominated accounts.
- Remeasure the base currency balance of a base or foreign denominated account into the secondary currency. You can also remeasure the secondary currency balance of a secondary denominated account into the base currency.
- Attach a remeasurement provision account to each general ledger account that you are remeasuring. The system posts the remeasurement gain or loss adjustment for each account to its remeasurement provision account, instead of posting the adjustment to the account being remeasured.
- Translate from the base or secondary currency of a company to one or more reporting currencies.
- View the base, secondary, and foreign currency balances and transaction amounts within the Interactive trial balance option.
- Create budgets in base, secondary or foreign currencies.
- Create allocations based on base, secondary, or foreign currency amounts.
- Transcode foreign, base and secondary transactions.

You can create Infinium Query or Infinium ReportWriter reports to report on foreign, base, and secondary currency balances.

These reports can include foreign currency balances only if you denominate the accounts in a foreign currency, which restricts posting to those accounts in only the foreign currency. For example: The base currency of Company 005 is USD and its secondary currency is FRF. Infinium Query and Infinium ReportWriter can access a USD and FRF balance for every account. If an

account is denominated in DEM, that account maintains a foreign balance in DEM that can be accessed by Infinium Query and Infinium ReportWriter.

Terminology and Concepts

This section contains Infinium and Infinium GL currency processing terminology that you should understand before you continue.

Currencies

Base

The currency in which a company maintains its primary books.

Foreign

Any currency other than the base or secondary currency in which a company conducts business transactions.

Functional

The accounting term used to describe the currency of the primary economic environment in which a company operates. This currency may or may not be the local currency.

For example, a company that operates in Ireland but depends on the United States economy for most of its input and output, has a local currency of IRP and a functional currency of USD.

Local

The accounting term used to describe the currency of the country in which a company operates.

Processing

The currency or currencies in which a company enters transactions.

Reporting

The currency in which a company prepares its financial statements.

Secondary

The currency in which a company maintains its secondary books.

Source

An Infinium CM term that describes the first of two currencies that make up an exchange rate relationship. The system converts the source currency using the exchange rate.

Target

An Infinium CM term that describes the second of two currencies that make up an exchange rate relationship. The system derives the target currency using the exchange rate.

Translation

The currency into which you translate a set of accounts. This Infinium GL term describes the reporting currency.

Currency Companies

Base

The company from which you translate balances.

Translation

The company that holds the translated balances.

Currency Control

A user-defined code that represents a particular currency.

Currency Processing

Conversion

The process within journal entry in which the system calculates transactions to another currency equivalent value. This process is also referred to as exchange.

Dual Currency Processing

The processing that allows a company to maintain one company ledger in two different currencies. You define a base currency and a secondary currency within a company.

Multi-Currency Processing

The processing that enables you to create foreign denominated accounts and journals. Foreign denominated accounts maintain a balance in the foreign currency in addition to the base currency. You can also revalue the foreign currency balance into the base currency.

Remeasurement

The process in which the system recalculates the secondary currency balances from the base currency balances for foreign and base currency denominated accounts. In addition, the system recalculates base currency balances from secondary currency balances for accounts denominated in the secondary currency. Generally, you remeasure balances at the end of an accounting period to reflect current exchange rates. The system records a gain or a loss in the company's base or secondary currency.

Revaluation

The process in which the system recalculates the base currency balances from the foreign currency balances to account for exchange rate fluctuations. You reflect current exchange rates by revaluing foreign balances at the end of an accounting period. The system records a gain or a loss in the company's base currency.

Translation

The process used to convert from base or secondary currency balances to a reporting currency. You set up a separate translation company to use for

reporting purposes only. The translation process converts balances only and does not convert transactions.

Decimal Point Precision

Infinium GL retrieves the decimal precision of the currency from the implied decimal precision field in the currency record in Infinium CM.

Exchange Rate

A specified exchange for a given exchange rate control for a given date. The system uses the rate to convert amounts from the source to the target currency.

Exchange Rate Control

A combination of two currency codes in a source-target relationship. The currency codes are linked with a rate type to allow for multiple rates of different types for the same currency.

Exchange Rate Methods

Direct

A method used to convert amounts from the source to the target currency. To determine the target currency equivalent amount using a direct exchange rate, multiply the source currency amount by the exchange rate.

Indirect

A method used to convert amounts from the source to the target currency. To determine the target currency equivalent amount using an indirect exchange rate, divide the source currency amount by the exchange rate.

Rate Type

A user-defined code that identifies a particular type of exchange rate (for example, historic, current, or average).

Reciprocal Rate

The inverse of the exchange rate for a given exchange rate control for a given date. You can express the reciprocal of a given exchange rate mathematically as *1/exchange rate*.

EMU Terminology

Conversion Rate

The EMU conversion rates from NLCs to the euro are fixed rates set by the European Central Bank. The conversion rates must not be rounded or truncated.

The rates are to be used for conversions in both directions (to euro and from euro). Inverse rates derived from the conversion rates are forbidden.

EC

The EC or European Community is the former name for the core organization that became the EU after the November 1993 Maastricht treaty. Refer to the entry for *European Union (EU)*.

EMU

The EMU is the Economic and Monetary Union, the unification of many European Union (EU) national monetary systems under a single currency, the euro. EMU rules are defined both locally within specific member countries of the EU and, by the EU itself, for the entire EU.

Euro and Euro Symbol

The euro is the new common currency to be used by 6/30/02 by all participating European Economic Monetary Union countries in place of their

past national currencies. The euro is also to be used instead of the old national currencies by companies trading with participating nations.

- The symbol for the euro is a C crossed by a double horizontal line:

  €

- The euro is subdivided into 100 euro cents.

Euro Implementation Choices: Big Bang, Parallel, or Phased

Financial software uses one of the following three implementation strategies for the euro. These names are from the BASDA white paper.

Infinium supports the phased implementation strategy.

Big Bang Implementation

Big bang implementation is one-time complete changeover from the old currencies on the old pre-euro system to the euro. The conversion program brings forward the old balances converted to euro from that point on. Reporting thereafter is only in euros.

Parallel Implementation

Parallel implementation is a transitional method in which there are two systems or at least two parallel entities for a database during a transitional period. The legacy version provides the pre-euro information in the local currency prior to the cutover date and the new version provides information in the euro currency after the cutover date.

Companies using the parallel implementation strategy must manually enter or programmatically convert opening balances and open transactions into the new system although certain other information such as customer and inventory information can be directly converted from the old legacy system.

Parallel implementation applies best to single currency systems.

Phased Implementation

Phased implementation is possible with a system that can support triangulation so that you can use both the NLCs and the euro for a transitional period.

Some phased implementation systems let you show the foreign currency amount and two base currencies: the national currency and the alternate base currency, the euro. This flexibility in a multi-currency system allows a

company to use the NLC as the primary base currency until a specific date and then change the euro to the primary base currency.

Phased implementation lets you report in either the NLC or the euro.

European Union (EU)

EU is the name adopted in November 1993 under the Maastricht treaty by the former European Community (EC) and other organizations sharing a common foreign policy and other forms of legal cooperation.

The full members by the 1993 treaty were Austria, Belgium, Britain, Denmark, Finland, France, Germany (in 1993, West Germany), Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, and Sweden. As of 1998, all of these countries except Britain and Denmark were planning to participate in the transition to the euro.

National or Local Currency

The national or local currency is the reporting currency used in an EMU country prior to conversion to use of the euro for accounting and reporting purposes. National or local currencies (NLCs) cannot be used after June 30, 2002.

Transition Period

The transition period is the period during which both the NLCs and the euro currencies can be in use: January 1, 1999 to June 30, 2002.

The EMU regulations specify that during this period everyone must allow use of the euro and nobody is to be required to use the euro for business transactions.

For example, organizations have the right to present invoices and to pay invoices in the euro beginning on January 1, 1999and at any time thereafter during the transitional period, but cannot be required to do so until June 30, 2002.

This policy is known as the “no prohibition/no compulsion” policy.

Triangulation

Triangulation is the required method of converting amounts from one NLC to another NLC or between an NLC and a non-NLC, such as French francs to US dollars or US dollars to French francs.

The triangle image is due to these conversions involving three currencies: The source amount currency, the euro, and the target amount currency. Direct conversion from one NLC to another NLC and between an NLC and a non-NLC is forbidden within the European Union (EU).

- You must convert the source amount to the euro using the mandated conversion rate. Any rounding must be to at least three decimal positions for this conversion.
- You must then convert the euro to the target amount using the mandated conversion rate.

Notes

Chapter 3 Establishing Control Information

3

This chapter contains information about establishing entity, company and chart of accounts controls for currency processing.

The chapter consists of the following topics:

Overview of Establishing Control Information

This chapter discusses the currency related controls that you must establish. You can use the create options in the *General Ledger Initial Setup* menu. You can also use the *Work with actions* in the *Entity*, *Companies* and *Chart of Accounts* options in the *Control File Functions* menu. The examples in this chapter use the following options:

- *Work with entity control*
- *Work with company controls*
- *Work with chart of accounts*

Objectives

After completing this chapter you should be familiar with how to:

- Establish multi-currency processing controls
- Establish dual currency processing controls
- Specify historic, current, average and journal entry rate types
- Establish the currency and translation rate type for each account
- Enable an account to be revalued
- Define remeasurement controls

Establishing Entity Controls

Overview

The following are the two screens in the *Work with entity control* option that contain control information related to currency processing:

- Base Data screen
- Currency Processing screen

You use the Base Data screen to define your default base currency.

You use the Currency Processing screen to enable:

- Currency processing
- Multi-currency processing
- Dual currency processing

Refer to Chapter 2, “Defining Entity Controls” in the *Infinium GL Guide to Controls* for detailed non-currency information on setting up your entity controls.

Steps to Establish Entity Controls

To establish entity controls for currency processing, perform the following steps:

1. From the main menu select *Control File Functions.*
2. Select *Entity*.
3. Select *Work with entity control* [WWEC]. The system displays the Work With Entity Control GL System Definition screen.
4. Select the *Base data* attribute. Type **5** and press Enter. The system displays a screen similar to Figure 3-1.

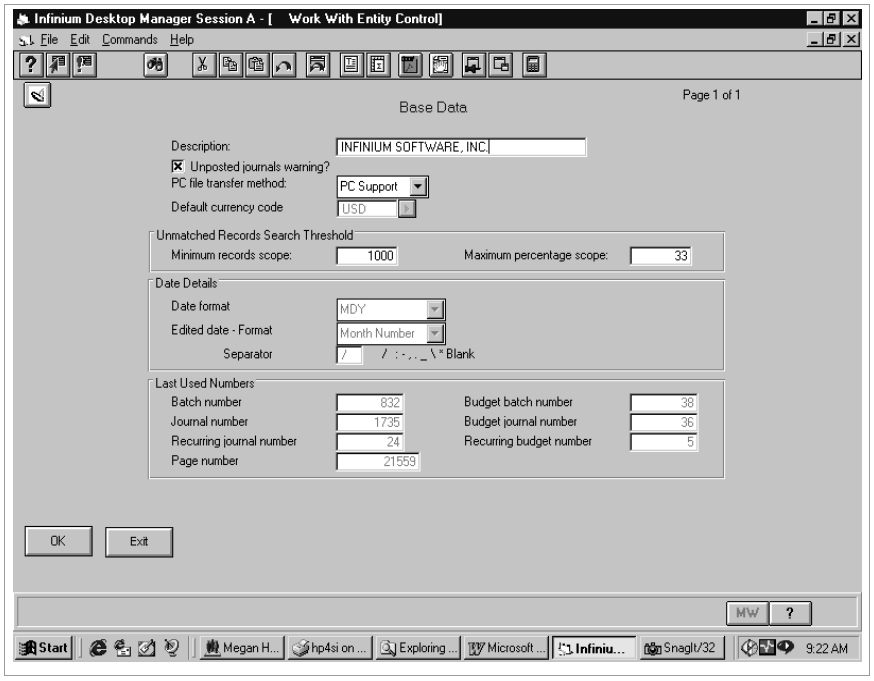


Figure 3-1: Work With Entity Control Base Data screen

Defining the Default Currency Code

The fields on this screen control basic information in your Infinium GL system.

5 Specify a valid currency in the *Default currency code* field. The system uses the currency value in this field as the default currency for all companies on the system.

Note: Once you create entity controls, you cannot change the value in this field.

6 Press Enter to update the base data record. The system returns you to the Work With Entity Control GL System Definition screen.

7 Select the *Currency controls* attribute. Type **5** and press Enter. The system displays a screen similar to Figure 3-2.

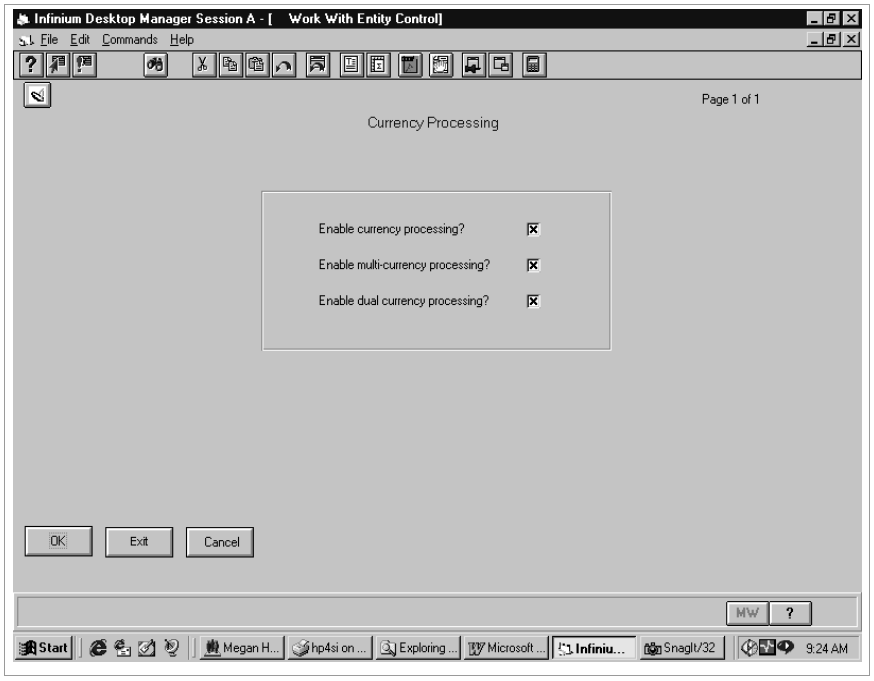


Figure 3-2: Work With Entity Control Currency Processing screen

Defining Entity Currency Processing Detail

The fields on this screen control currency information in your Infinium GL system. The system prompts you to specify whether you plan to use currency processing. In addition, you indicate the level of currency processing detail that the system maintains.

Note: Once you create entity controls, you cannot change the values in the fields on this screen.

8 Use the following information to complete the fields on this screen:

Enable currency processing?

Specify yes in this field to use multiple currencies. If you enable currency processing at the entity level, you can disable currency processing for particular companies in the *Work with company controls* option. If you use currency processing in Infinium GL, you must use the Infinium Currency Management system.

If you specify no in this field, Infinium GL does not display currency related fields in any other function.

Enable multi-currency processing?

Multi-currency processing enables you to enter journals in a currency other than your base currency or secondary currency. If you specify yes in this field, you can perform the following tasks:

- Enter journals using a currency other than the base or secondary currency
- Denominate accounts in a currency other than the base currency or secondary currency
- Create a revaluation journal

If you enable multi-currency processing at the entity level, you can disable it for particular companies in the company controls.

Enable dual currency processing?

Dual currency allows you to maintain a complete set of books in two currencies. Specify yes in this field if your organization requires either of the following:

- The availability of detailed journal transactions in a currency other than the base currency of your company
- Balances maintained throughout the period that reflect the actual exchange rates in effect when the business transactions occurred, for a currency other than the base currency of your company

In addition, if you specify yes in this field, you can remeasure account balances.

If you enable dual currency processing at the entity level, you can disable it for particular companies in the company controls.

9 Press Enter. The system returns you to the Work with Entity Controls GL System Definition screen.

10 Exit. The system returns you to the main menu.

Establishing Company Controls

Overview

Within the *Work with company controls* option, you perform the following currency related tasks:

- Define the base currency of a company
- Enable currency processing for a company
- Enable multi-currency processing for a company and define multi-currency details
- Enable dual currency processing for a company by specifying its secondary currency and defining dual currency details
- Enable currency translation processing for a company
- Specify the Infinium CM rate types for historic, current, average, and journal entry rates

Refer to Chapter 3, “Defining and Maintaining Companies and Codes,” in the *Infinium GL Guide to Controls* for detailed non-currency information on setting up your general ledger companies.

Steps to Establish Company Controls

To establish company controls for currency processing, perform the following steps:

1. From the main menu select *Control File Functions.*
2. Select *Companies*.
3. Select *Work with company controls* [WWCC]. The system displays a screen similar to Figure 3-3.

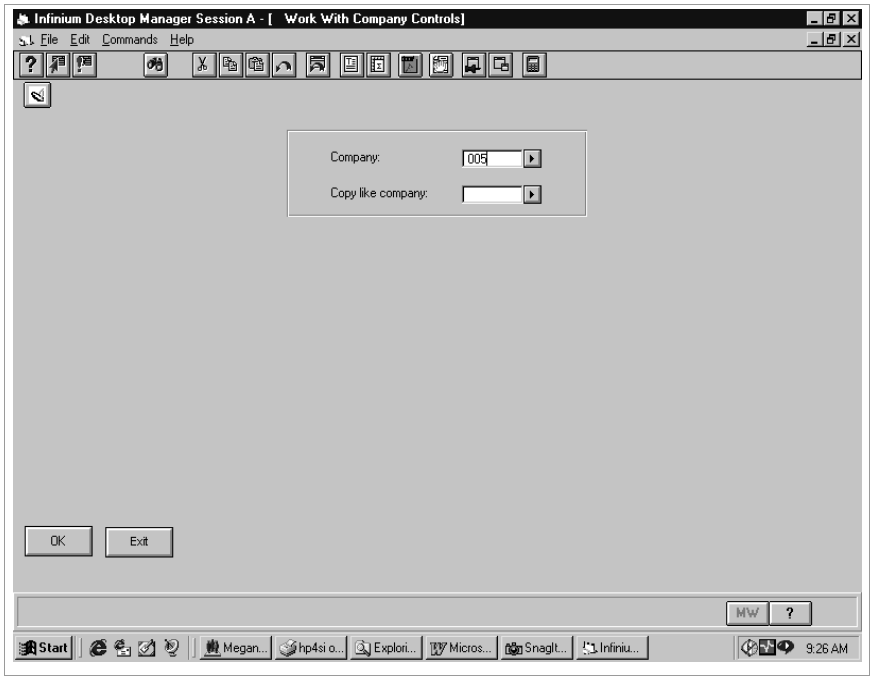


Figure 3-3: Work With Company Controls prompt screen

4 Specify the company identifier in the *Company* field.

Creating Translation Companies

Infinium recommends that when you are creating the translation company you use the *Copy like company* field to copy the attributes of the corresponding GL company. When you use this field, the system displays a list of company attributes.

When you create the translation company, you must specify the base currency using the *Base data* attributes. A base company and its corresponding translation company must have the same account structure and number of periods. Use the *Copy like company* field to copy the period controls of the GL company.

5 Press Enter. The system displays a screen similar to Figure 3-4.

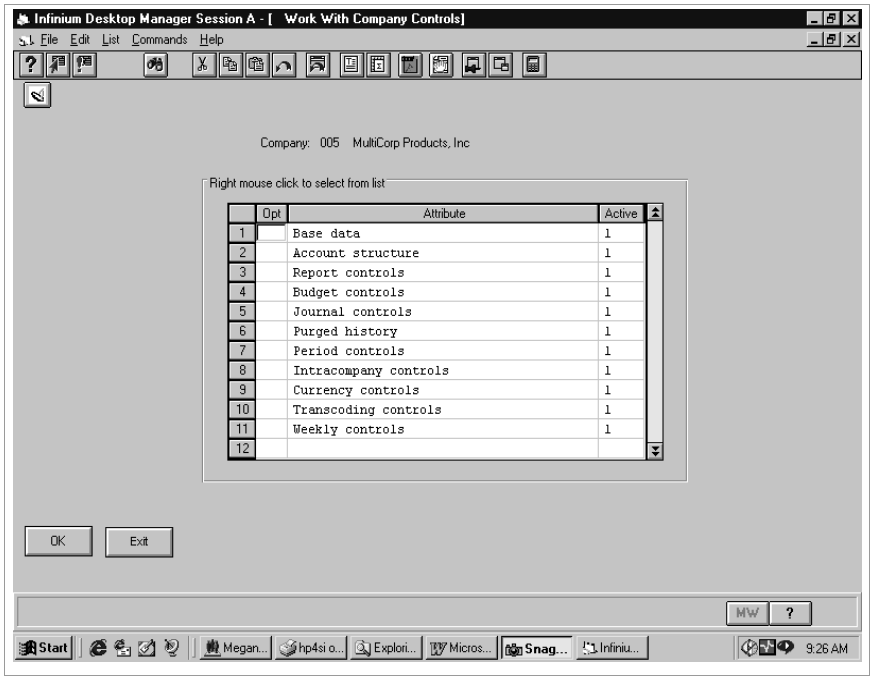


Figure 3-4: Work With Company Controls selection screen

Defining Company's Base Currency

6 Select the *Base data* attribute. Type **5** and press Enter. The system displays a screen similar to Figure 3-5.

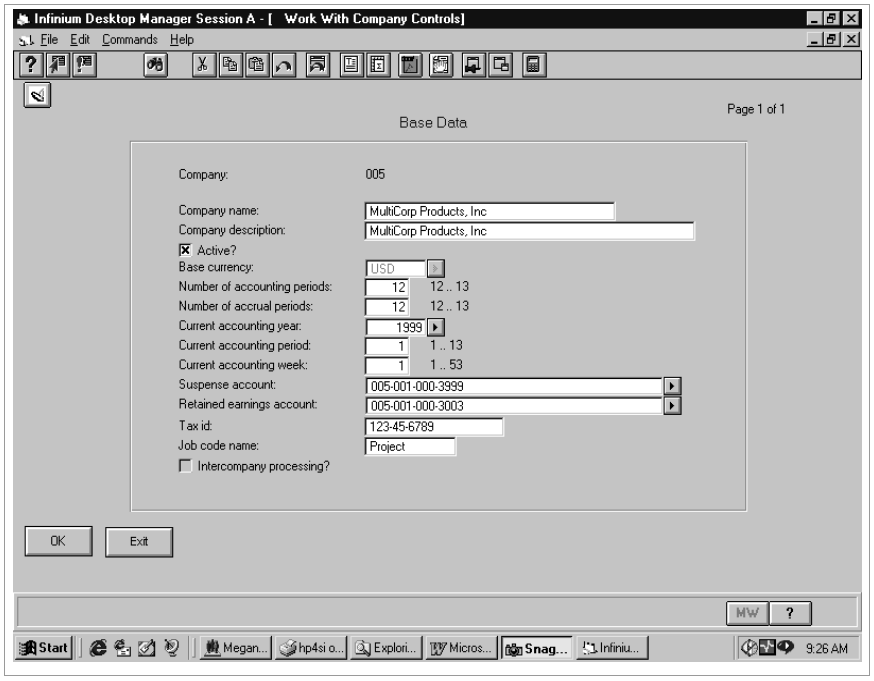


Figure 3-5: Work With Company Controls Base Data screen

7 Use the following information to complete the fields on this screen:

Base currency

The system obtains the value in this field from the *Default currency code* field in the entity control. You can change the base currency for this company by typing a different currency in this field. The base currency must be a valid currency type in the Infinium CM system.

Note: Once you create accounts for this company and post transactions, you cannot change this field.

Suspense account *and* Retained earnings account

The accounts that you specify in these fields must be denominated in the base or the secondary currency of this company.

8 Press Enter to save your changes. The system returns you to the Work with Company Controls selection screen.

Defining Company Currency Processing Details

9 Select the *Currency controls* attribute. Type **5** and press Enter. The system displays a screen similar to Figure 3-6.

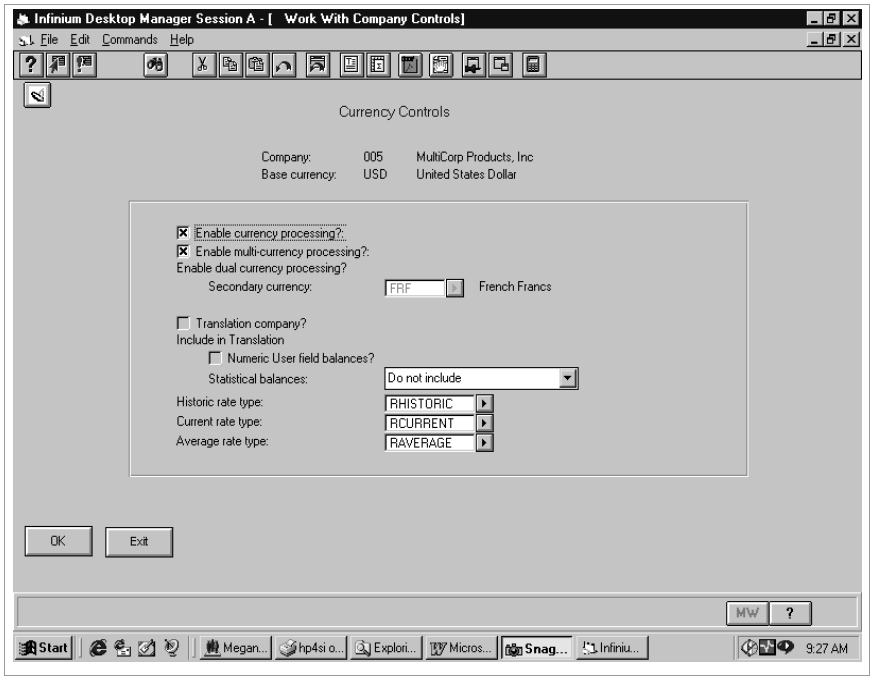


Figure 3-6: Work With Company Controls Currency Controls screen

The fields on this screen define the currency processing controls and details for a specific company. Use this screen to specify whether you are enabling currency processing, multi-currency processing, and dual currency processing. You identify whether the company is a translation company as well as translation details.

10 Use the following information to complete the fields on this screen:

Enable currency processing?

Specify yes in this field if you plan to enable either multi-currency or dual currency processing for this company.

Enabling currency processing for this company allows you to do the following:

- Enable multi-currency and/or dual currency for this company on this screen, if you have also enabled multi- and dual currency processing on the entity control
- Define this company as a translation company and include it in a translation set
- Define translation information for this company's accounts.

Enable multi-currency processing?

Specify yes to enter journals in a currency other than the base or secondary currency. Enabling multi-currency processing allows you to do the following:

- Denominate accounts in a foreign currency, which is a currency other than the base currency or secondary currency for accounts within this company
- Enter foreign currency transactions for this company
- Maintain balances in the foreign currency for the foreign denominated accounts
- Specify which foreign-denominated accounts to revalue
- Create a revaluation journal for the company

Secondary currency

Use this field to enable dual currency processing for this company. Type a currency in this field if this company requires either of the following:

- The availability of detailed transactions in a currency other than the base currency
- Currency balances maintained throughout the period that reflect the actual exchange rates in effect when the business transactions occurred for a currency other than the base currency

Enabling dual currency processing allows you to do the following:

- Denominate accounts in the secondary currency
- Enter currency transactions in the secondary currency for this company
- Maintain balances in both the base and secondary currency for all accounts
- Indicate whether to remeasure each account denominated in the base or secondary currency
- Remeasure accounts

The value you type in this field must be a valid currency type in the Infinium CM system. You can specify a secondary currency at any time. However, once you specify a secondary currency and create accounts for this company, you cannot change the currency value.

Translation company?

Infinium GL performs translations by using translation companies. A translation company is a company in which the system stores the translated balances in a reporting currency. You will learn more about this process in the “Translating Account Balances” chapter in this guide.

Include Numeric User field balances in Translation?

Specify yes in this field to transfer numeric transaction user field balances from this company to the translation company when you run the *Translate account balances* option.

Note: You must use this company as a from company in a translation set.

When you specify no in this field, the system ignores numeric transaction user field balances.

Include Statistical balances in Translation?

Specify *Account Use value of Both only* in this field to transfer statistical balances from those accounts with an account use of **B** (both monetary and statistical) when you run the *Translate account balances* option.

Specify *All Statistical Balances* in this field to transfer statistical balances for all accounts, including accounts with an account use of **S** (statistical), when you run the *Translate account balances* option.

When you specify *Do not include* in this field, the system ignores statistical balances.

Rate Types

You set up the rate types and enter exchange rates in the Infinium CM system. Infinium GL refers to the rate types you specify on this screen to determine which rate type to use when retrieving rates from the Infinium CM system. Infinium GL uses these rate types when you revalue, remeasure or translate account balances.

The translation method indicates the rate type the system uses during translation. In the *Work with chart of accounts* option, you specify the translation method for each account.

The remeasurement method indicates the rate type the system uses during remeasurement. In the *Work with chart of accounts* option, you specify the remeasurement method for each account.

The following are the three rate types:

- Historic rate type

  The system uses this rate type to translate or remeasure accounts whose translation method or remeasurement method is **1**.

- Current rate type

The system uses this rate type to translate or remeasure accounts defined with a translation method or remeasurement method of **2**. In addition, if you do not specify a rate type when you run the *Revalue account balances* option, the system uses the current rate type to revalue foreign currency amounts.

- Average rate type

  The system uses this rate type to translate or remeasure accounts with a translation method or remeasurement method of **3**.

  You can override the default translation rate types you specify on this screen by using the *Override rate type* field on the Work With Chart Of Accounts screen similar to Figure 3-13.

11 Press Enter. If you enable multi-currency processing for this company, the system displays a screen similar to Figure 3-7.

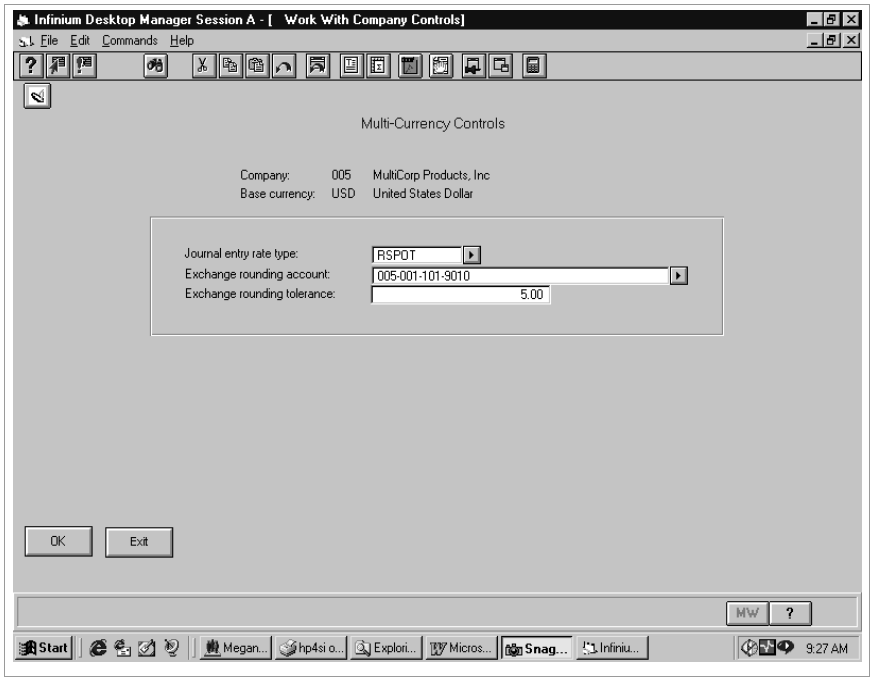


Figure 3-7: Work With Company Controls Multi-Currency Controls screen 1

Defining Multi-Currency Details

The system displays this screen if you have enabled multi-currency processing for this company. Use this screen to identify the journal entry rate type for multi-currency, the exchange rounding account, and exchange rounding tolerance.

12 Use the following information to complete the fields on this screen:

Journal entry rate type

You must type a valid Infinium CM rate type in this field. You can override this rate type during journal entry.

The system uses this rate to convert journal transactions you enter in a foreign currency to the base currency. The system converts the transactions when it proofs the journal or when you perform an online conversion in the *Work with mass journal entry* option.

Exchange rounding account

When the system converts foreign currency transactions to the company's base currency, the base currency amounts may not balance because of rounding differences. To balance the company's base currency amounts, the system enters the difference to the account you specify in this field.

After you define the account in the *Work with chart of accounts* option, you can type the account to which the system posts the rounding difference in this field. You must specify an exchange rounding account if you specify an exchange rounding tolerance other than zero. The exchange rounding account must be denominated in the base currency.

Exchange rounding tolerance

You can specify a base currency exchange rounding tolerance amount.

If the exchange rounding amount is less than or equal to the exchange rounding tolerance, the system books the amount to the exchange rounding account when it accepts the journal.

If the rounding amount required to balance the journal is greater than the tolerance, the system places the journal in error.

If you leave this field blank, the system defaults to an exchange rounding tolerance of zero. In this case the base currency of the journal company must balance after the system performs a currency conversion.

13 Press Enter. The system displays a screen similar to Figure 3-8.

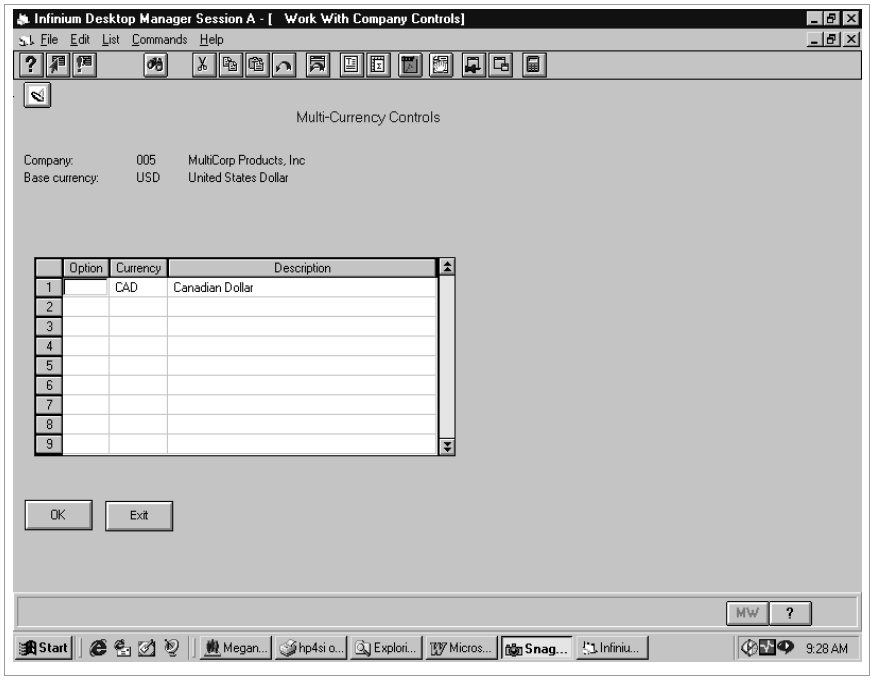


Figure 3-8: Work With Company Controls Multi-Currency Controls selection screen

This screen contains a list of foreign processing currencies defined for revaluation for this company.

Working with Currencies

Use this screen to create, copy, change, display or delete account information for a foreign currency. You can also use F5 to refresh the screen if the system does not display a currency that you have defined.

This example shows you how to create currency account information.

14 Press F6 to create currency account information. The system displays a window similar to Figure 3-9.

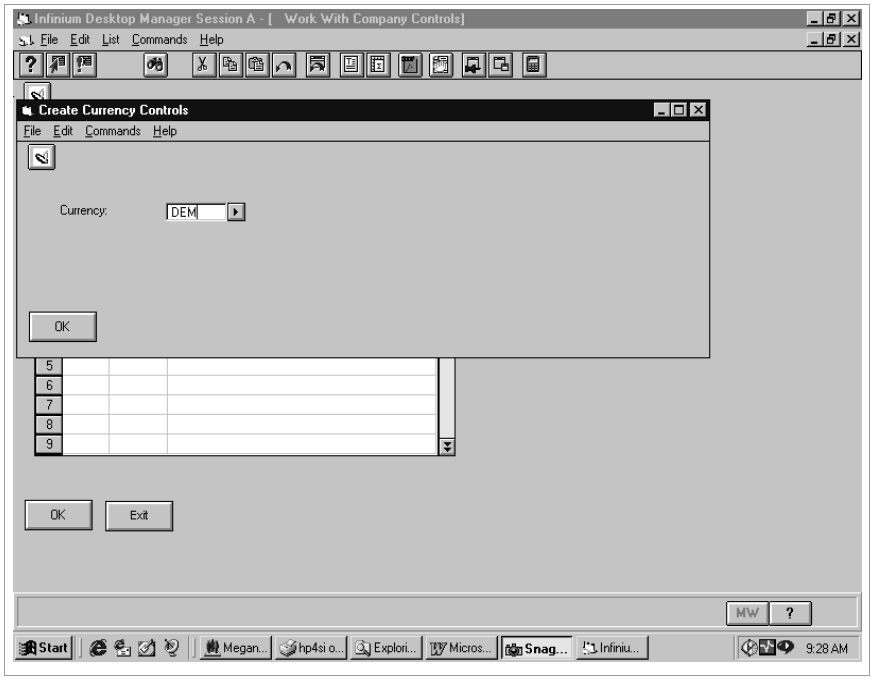


Figure 3-9: Create Currency Controls window

15 Specify a valid currency code in the *Currency* field.

16 Press Enter. The system displays a screen similar to Figure 3-10.

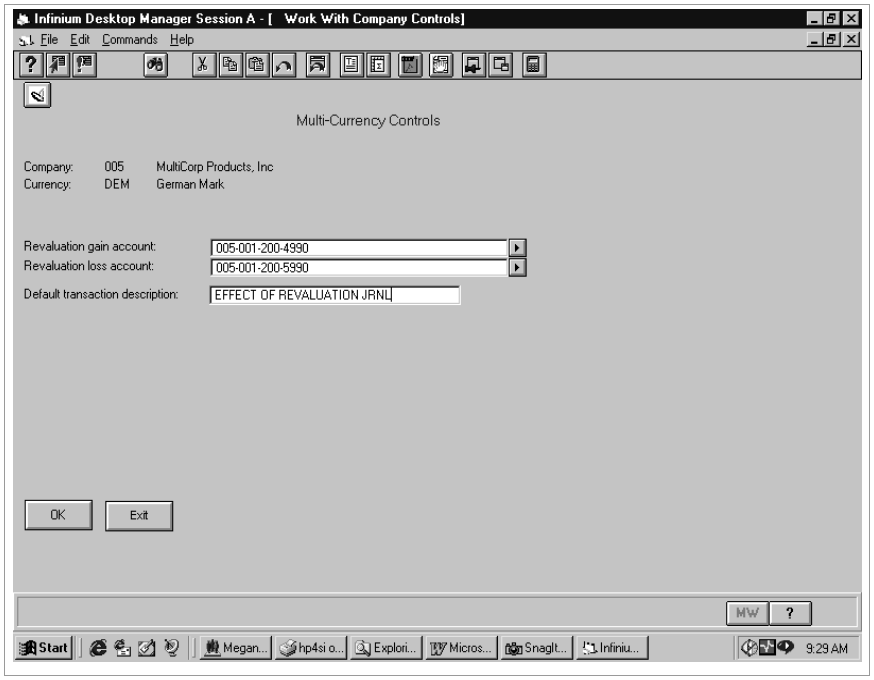


Figure 3-10: Work With Company Controls Multi-Currency Controls screen 2

Defining Revaluation Accounts

Use this screen to specify a revaluation gain account, revaluation loss account and a revaluation gain/loss transaction description for each revaluation currency.

17 Use the following information to complete the fields on this screen:

Revaluation gain account *and* Revaluation loss account

You can specify either a separate revaluation gain and loss account or use the same account for both the revaluation gain and loss accounts. The revaluation gain and loss accounts must be:

- Defined with an account use of **M** or **B**
- Defined as active
- Belong to the company you are maintaining
- Denominated in the base currency or in the base or secondary currency if you enabled dual currency processing.

Default transaction description

The system uses the text you type in this field when it creates the gain or loss entry in the revaluation journal.

18 Press Enter. The system returns you to the Work With Company Controls Multi-Currency Controls selection screen.

19 Press F5 to refresh the screen to view the currency you established.

20 Press Enter. The system displays a screen similar to Figure 3-11.

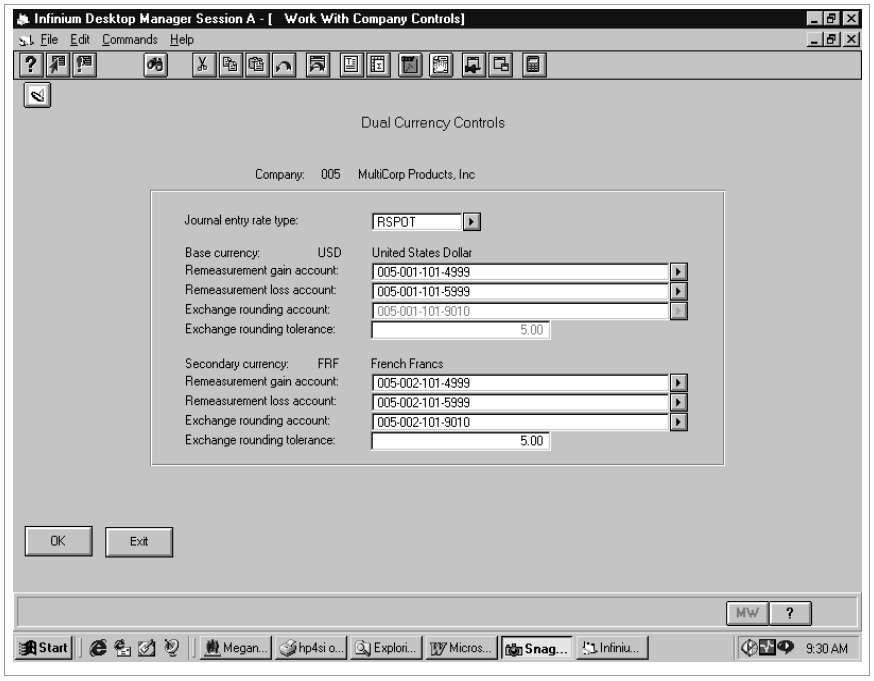


Figure 3-11: Work With Company Controls Dual Currency Controls screen

Defining Dual Currency Details

The system displays this screen if you specify a secondary currency on the Currency Controls screen for this company. Use this screen to specify the journal entry rate type for dual currency, remeasurement gain/loss accounts, and the exchange rounding accounts and tolerances for the base currency and secondary currency.

21 Use the following information to complete the fields on this screen:

Journal entry rate type

The system uses this rate to convert transactions between the base currency and secondary currency. The system converts the transactions when you proof the journal or when you perform an online conversion in the *Work with mass journal entry* option. You must type a valid Infinium CM rate type. You can override this rate type during journal entry.

Remeasurement gain account *and* Remeasurement loss account

For both the base and secondary currencies, you can specify either a separate remeasurement gain and loss account or use the same account for both the remeasurement gain and loss accounts. The remeasurement gain and loss accounts must be:

- Defined with an account use of **M** or **B**

- Defined as active
- Belong to the company you are maintaining
- Denominated in the base currency (for the base currency section of the screen) or secondary currency (for the secondary currency section of the screen)

Exchange rounding account and Exchange rounding tolerance (for base currency)

If you enabled multi-currency processing, the system uses the values that you specified on the first screen of the multi-currency controls for these fields. Infinium GL uses these fields to verify the exchange tolerance when it converts foreign currency or secondary currency transactions into the base currency. This exchange rounding account should be denominated in the base currency.

Exchange rounding account and Exchange rounding tolerance (for secondary currency)

Infinium GL uses these fields when converting from the base currency to the secondary currency. This exchange rounding account should be denominated in the secondary currency.

22 Press Enter. The system returns you to the Work With Company Controls selection screen.

Defining Intracompany Currency Processing Controls

23 Select the *Intracompany controls* attribute. Type **5** and press Enter. The system displays a screen similar to Figure 3-12.

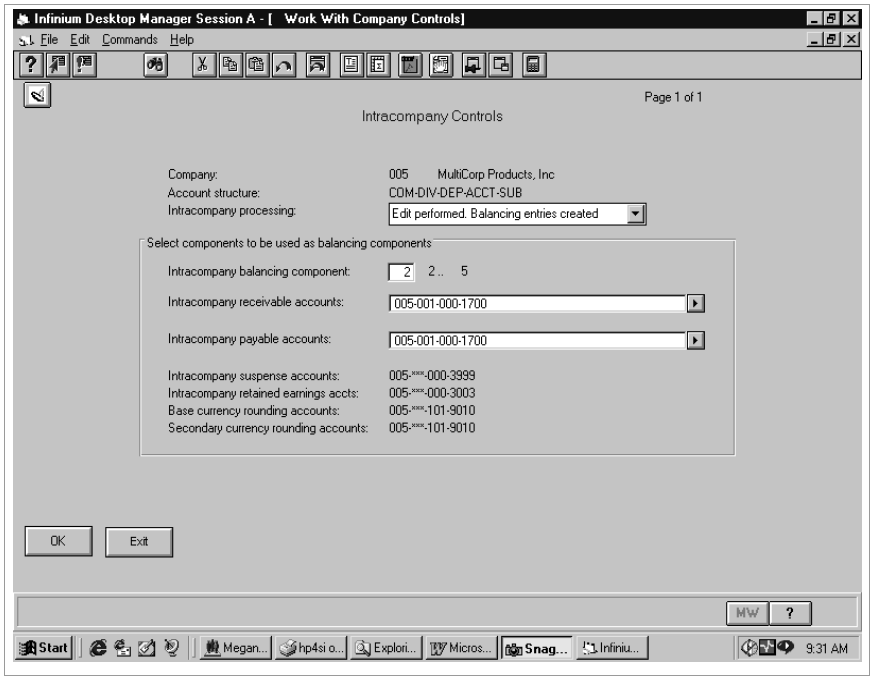


Figure 3-12: Work With Company Controls Intracompany Controls screen

This screen prompts you to specify whether you use intracompany processing and to what extent. If you use intracompany processing, you must identify your intracompany balancing component as well as your intracompany receivable and payable accounts.

24 Use the following information to complete the fields on this screen:

Intracompany processing

Indicate to what extent you plan to use the intracompany processing feature of Infinium GL.

Intracompany balancing component

Specify the intracompany balancing component to use for balancing. The system performs balancing edits and/or entries to ensure that entries in this component are in balance. You can specify any component except the first component, which is always reserved as the company identifier. The balancing component typically identifies individual divisions within a company.

Note: If the component you specify in this field is longer than eight characters, the balancing edits ignore the characters beyond the eighth position.

Intracompany receivable accounts
Intracompany payable accounts

The accounts that you specify in these fields must be denominated in the base or the secondary currency of this company.

25 Press Enter to confirm your entries. The system returns you to the Work With Company Controls selection screen.

26 Cancel to return to the Work With Company Controls prompt screen and specify another company with which to work, or exit to return to the main menu.

Defining Accounts

Overview

You use the *Work with chart of accounts* option to define the account attributes that relate to multi-currency processing and dual currency processing. You perform the following currency related tasks when you create and maintain accounts:

- Specify the currency in which the account is denominated
- Enable an account to be revalued
- Define the translation and remeasurement controls

Refer to the “Defining and Maintaining Your Chart of Accounts” chapter in the *Infinium GL Guide to Controls* for detailed non-currency information on setting up your chart of accounts.

Steps to Define Accounts

To define accounts for currency processing, perform the following steps:

1. From the main menu select *Control File Functions.*
2. Select *Chart of Accounts*.
3. Select *Work with chart of accounts* [WWCOA]. The system displays a screen similar to Figure 3-13.

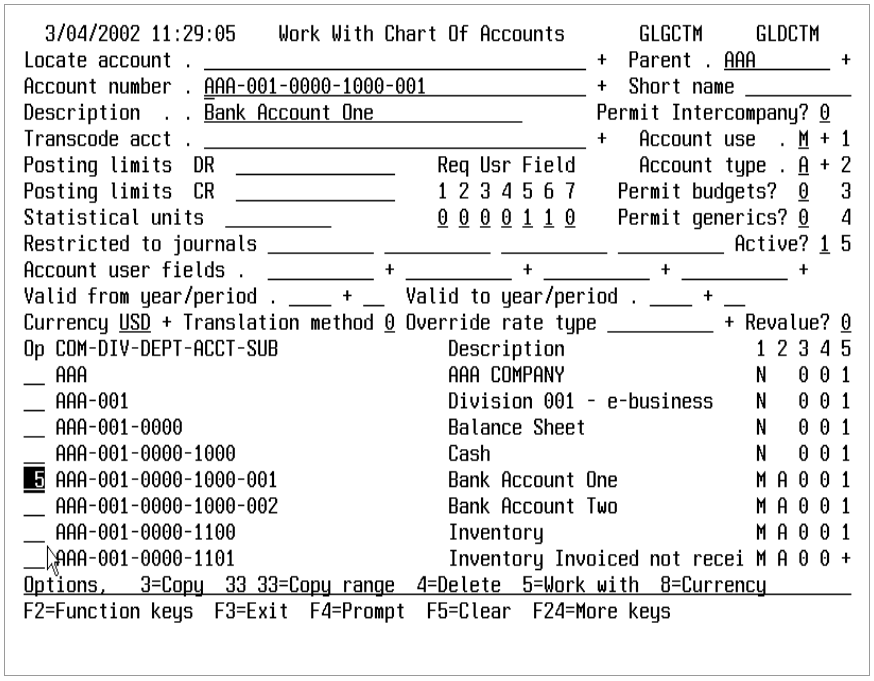


Figure 3-13: Work With Chart Of Accounts screen

Defining Account Attributes

You use this screen to define the currency controls of an account. If you have enabled dual currency processing, the system displays a window when you press Enter from which you define additional attributes.

4 Use the following information to complete the currency processing fields on this screen:

Currency

Type the denomination currency for this account. If you do not type a currency, the system defaults the base currency for this company from the company controls. The denomination of an account determines how the system revalues or remeasures an account.

You must leave this field blank when creating statistical accounts.

You must denominate non-posting accounts in the base currency.

If you disabled both dual currency processing and multi-currency processing for a company, you can denominate that company's accounts in its base currency only.

If you enable dual currency processing and disable multi-currency processing for a company, you can denominate that company's accounts in its base currency or its secondary currency only.

If you enable multi-currency processing for a company, you can denominate that company's accounts in any valid currency within the Infinium CM system.

Infinium recommends that you denominate an account in the currency for which all or most of the entries to that account originate.

If you denominate an account in a currency other than the base or secondary currency, you can only post journals in that currency. Only accounts denominated in a foreign currency maintain a foreign currency balance. If an account is denominated in a base or secondary currency, it accepts foreign currency journal transactions, but it does not store the foreign currency balance.

Translation method

You use this field to identify the translation method for the account. The *Translate account balances* option uses this method to translate this account, using the corresponding rate type from company controls, unless you define an override rate type here.

Valid values for this field are:

0 This account is excluded from translation processing.

1 Translate using the historic rate type specified in company controls.

2 Translate using the current rate type specified in company controls.

3 Translate using the average rate type specified in company controls.

You specify the rate types for each translation method on the company controls.

Override rate type

To use a different rate type for translation other than one of the rate types that you specified on the company controls, specify that rate type in this field. The rate type must be a valid Infinium CM rate type.

Revalue?

Type **1** if you are defining a foreign denominated account and the system must include the account when you run the *Revalue account balances* option. Type **0** in this field if you are defining accounts that are denominated in the base or secondary currency because these accounts do not store a foreign balance.

5 Press Enter. The system displays a window similar to Figure 3-14.

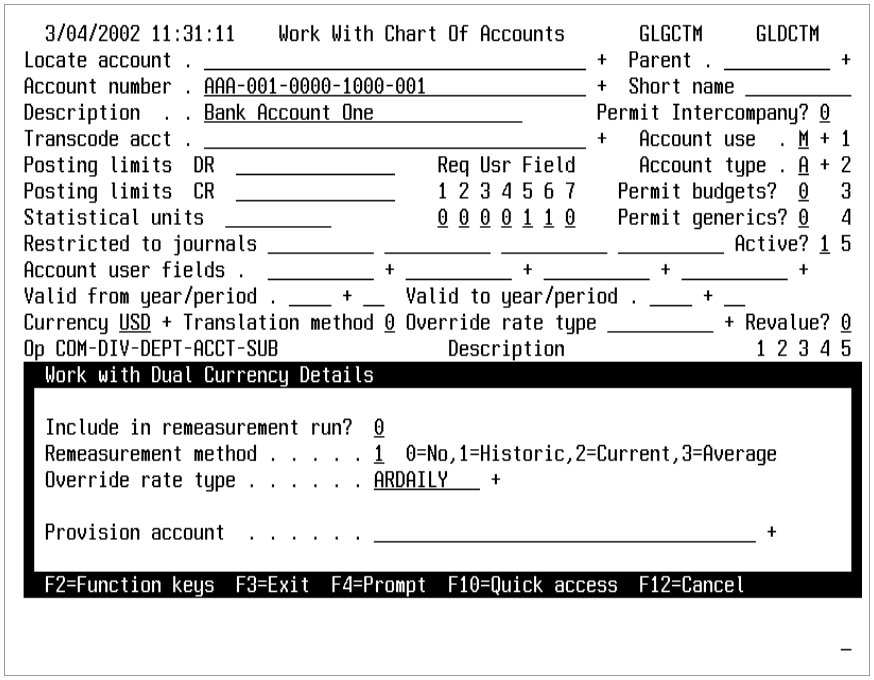


Figure 3-14: Work with Dual Currency Details window

Defining Dual Currency Details

The system displays this window if you have enabled dual currency processing after you press Enter on the Work With Chart Of Accounts screen. The system also displays this window when you select an account, type **8** and press Enter if dual currency processing is enabled for the company to which the account belongs. You use this window to define additional dual currency attributes.

6 Use the following information to complete the fields in this window:

Include in remeasurement run?

Remeasurement allows you to recalculate the balance in an account denominated in a base or secondary currency using the latest exchange rates to determine the net gain or loss due to rate fluctuation. At the end of a

period, you can remeasure particular account balances by typing **1** to include this account when you run the *Remeasure account balances* option.

You can remeasure secondary currency balances for accounts denominated in the base currency. You can also remeasure base currency balances for accounts denominated in a secondary currency.

Remeasurement method

Indicate the method that the system uses when remeasuring accounts. The system uses the value in this field to determine the rate type on the company controls to use for remeasuring this account. You must specify either *Historic*, *Current* or *Average* to include the account when you run the *Remeasure account balances* option.

Override rate type

To use a rate type that is different from one of the rate types that you specified in the company controls, specify that rate type in this field. The rate type must be a valid Infinium CM rate type.

Provision account

When the system remeasures an account, it posts the net gain or net loss of that account to the account that you specify in this field. This account cannot be a provision account for another account.

If you remeasure an account and need to reconcile that account to a subsystem, you can use a provision account to maintain the net gain and loss accounts without affecting the actual account balance.

If you leave this field blank, the system posts the net gain or net loss to the account being remeasured.

The provision account must be:

- In the same company as the account in which you are working
- Defined with an account use of **M** or **B**
- Active
- Denominated in its company's base currency or secondary currency
- Defined with a value of **0** in the *Include in remeasurement run?* field

7 Press Enter. The system returns you to the Work With Chart Of Accounts screen.

8 Continue to define accounts or exit to return to the main menu.

Notes

Chapter 4 Entering and Posting Journals

4

This chapter contains information about entering and posting journals denominated in either a foreign currency or a secondary currency.

The chapter consists of the following topics:

Overview of Entering and Posting Journals

In Infinium GL you can process transactions in the base or secondary currency of the company, or in any foreign currency. This chapter focuses on entering and posting transactions in either a foreign currency or a secondary currency.

You can enter foreign currency journals after you have done the following:

- Enabled multi-currency processing on the entity control
- Enabled multi-currency processing for the required company and specified the rate type that the system uses to convert into the base currency during journal processing

You can enter secondary currency journals or have base currency amounts converted into the secondary currency after you have done the following:

- Enabled dual currency processing on the entity control
- Defined a secondary currency for the company and specified the rate type that the system uses to convert into the secondary currency during journal processing

Using exchange rates from Infinium CM, you can convert foreign currency amounts into the base currency, base currency amounts into the secondary currency, and secondary currency amounts into the base currency.

You can process transactions in any currency for accounts denominated in the base or secondary currency of the company. The transactions store the foreign amount, but they do not store foreign balances. Accounts denominated in a foreign currency can accept transactions in that currency only. Only accounts denominated in a foreign currency maintain a foreign currency balance as well as the foreign currency journal transactions. When you create a foreign currency journal, you can add only accounts denominated in that foreign currency, or in the base or secondary currency of the company.

You can also process recurring journals, intercompany journals and intracompany journals denominated in a company's secondary currency or in a foreign currency. You can process batches from subsystems and these batches may contain currency transactions already converted to the base currency by the subsystem. When currency transactions in a batch have been converted to the base currency, Infinium GL does not repeat the conversion process for the batch. However the system may need to convert the base currency amount into the secondary currency of the company. You

can change account numbers, but you should not change any of the amounts in a journal imported from a subsystem.

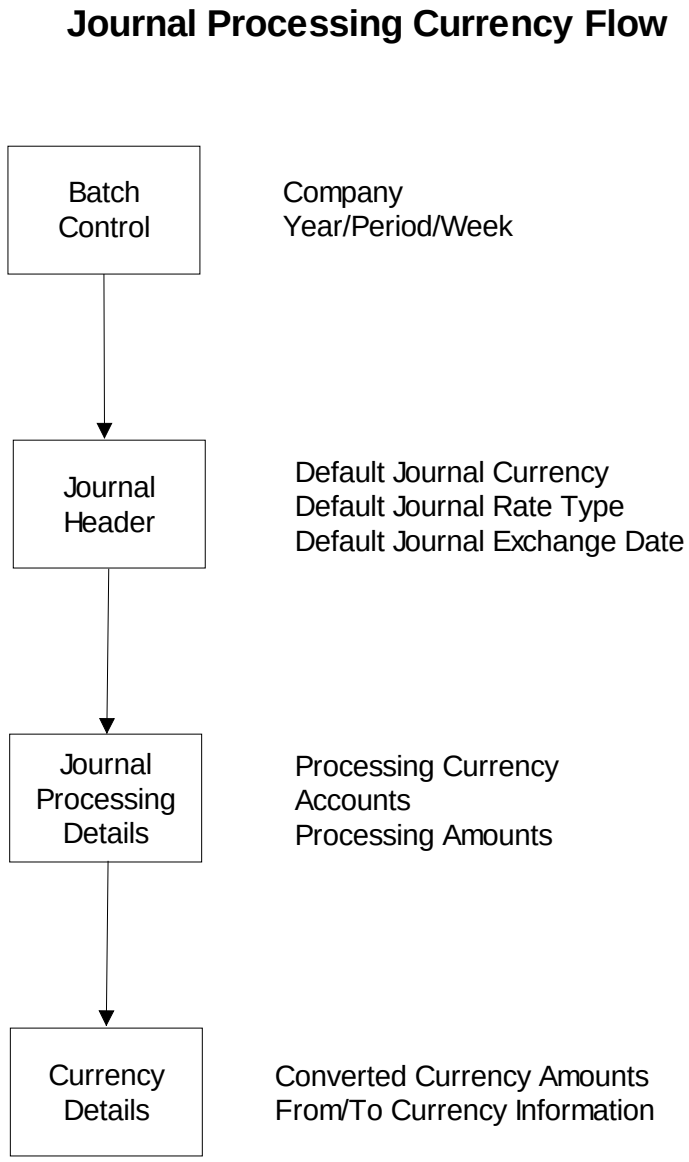


Figure 4-1: Journal Processing Currency Flow

You can use either the *Work with mass journal entry* or the *Work with journals* option to enter journals denominated in a foreign currency or a secondary currency. The following is a summary of the major differences between using the two menu options.

- Processing currency

In the Work with journals option you specify the currency on the journal header only; therefore, a journal can contain only one currency. In the Work with mass journal entry option you can override the currency at the transaction level; therefore, a journal can contain more than one processing currency.

- Conversion

  The *Work with mass journal entry* option allows you to perform an on-line conversion of journal transactions. This conversion enables you to work with up to three different currencies (base, secondary, and foreign) for each transaction. Because you cannot perform an on-line conversion in the *Work with journals* option, you can work with only the currency in which you entered the transaction.

During journal entry and during the proof stage of journal processing, the system converts the amounts by applying the exchange rate.

The report generated by the proof process acts as an exposure report for a batch before you accept or post it. The report lists the processing amount of the transaction and any converted amounts as well as the exchange rates the system uses. Infinium suggests that you print this report before you accept or post a journal.

During the journal acceptance process the system proofs the journals and updates transaction history files.

During the post stage the system updates the following:

- The base currency and secondary currency balances of the account using the base and secondary currency transaction amounts
- The foreign balance (if the account is denominated in a foreign currency) with the foreign amount

Note: Accounts denominated in the base or secondary currency do not store a foreign balance.

Note: Your authorization to accept, proof, and post journals that you created may be restricted. If you require authorization to accept, proof, and post journals that you created, consult your Infinium GL administrator.

Objectives

After completing this chapter you should be familiar with how to:

- Compare and contrast entering transactions denominated in a foreign currency, a base currency or a secondary currency in the *Work with mass journal entry* and *Work with journals* options
- Recognize how the system processes foreign currency, base currency or secondary currency transactions
- Define exchange rates when entering journals
- Recognize when to convert journal transaction amounts and when to reset journal transactions reversing the conversion of those amounts

Entering Journals Using Mass Journal Entry

Overview

If you enabled both multi-currency processing and dual currency processing, you can work with up to three different currencies (base, secondary, and foreign) for each transaction in the *Work with mass journal entry* option.

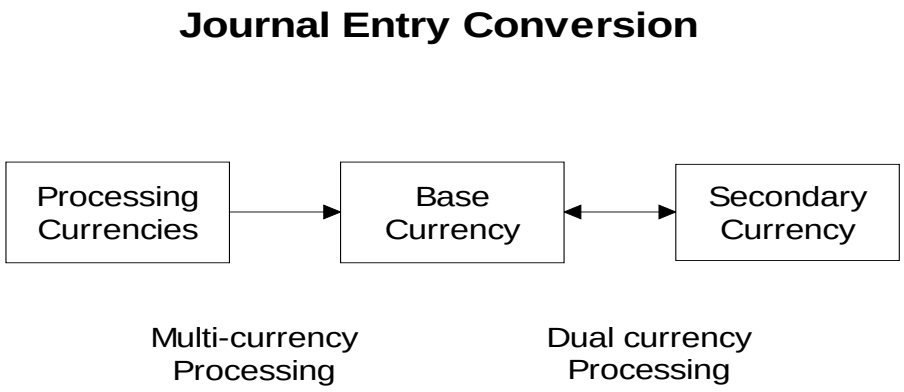


Figure 4-2: Journal Entry Conversion

When you press Enter to validate the journal or when you work with any of the currency options, Infinium GL performs an on-line conversion. If you enabled multi-currency processing, the system uses the exchange rates you specify to calculate a foreign transaction amount to its base currency equivalent. Then if you enabled dual currency processing, the system uses the base currency amount to calculate the secondary currency amount.

If you entered the journal in the secondary currency, the system uses the secondary currency amount to calculate the base currency amount.

For each currency transaction Infinium GL retrieves the exchange rate from the Infinium CM system. Infinium GL prompts you for exchange rate control information and displays the default information from the company controls. You can override the default information. Infinium GL uses the exchange rate information to convert the journal.

Refer to the “Using Mass Journal Entry” chapter of the *Infinium GL Guide to Processing and Reporting* for detailed non-currency information for the following tasks:

- Entering a new journal in a new batch
- Updating an existing batch
- Entering a new journal in an existing batch

Steps to Enter Journals Using Mass Journal Entry

The steps in this task describe only those areas of mass journal entry that involve currency processing.

To enter journals using mass journal entry, perform the following steps:

1 From the main menu select *Journal Processing.*

2 Select *Journal Entry.*

3 Select *Work with mass journal entry* [WWMJE]. The system displays a screen similar to Figure 4-3.

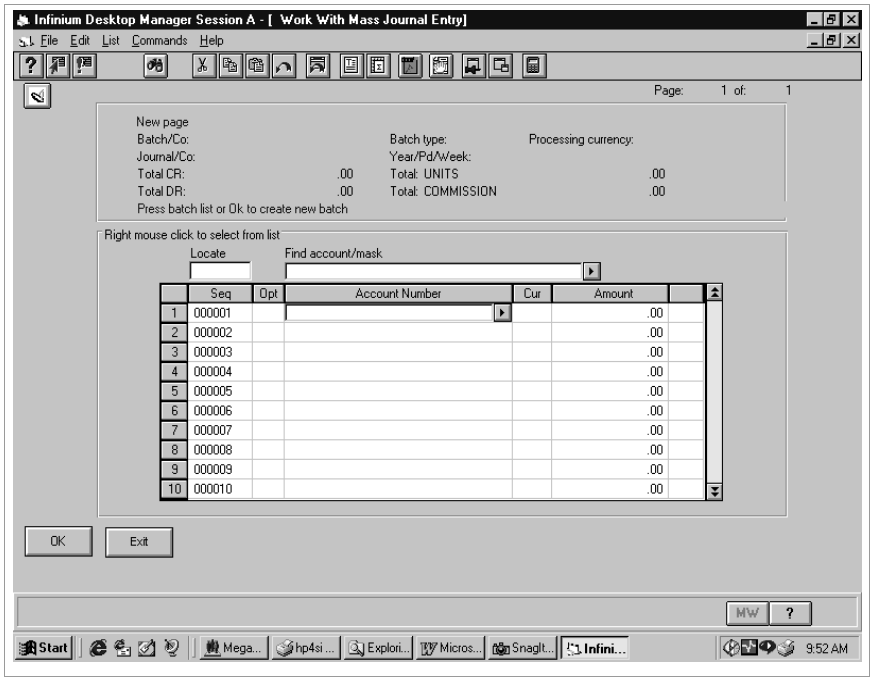


Figure 4-3: Work With Mass Journal Entry screen

4 Do one of the following to define the batch:

- Create a new batch by pressing F5.
- Select an existing batch by pressing F8.
- Press Enter to work with AutoBatch.

When you have created or selected a batch, press F6 to create a journal header. The system displays a window similar to Figure 4-4.

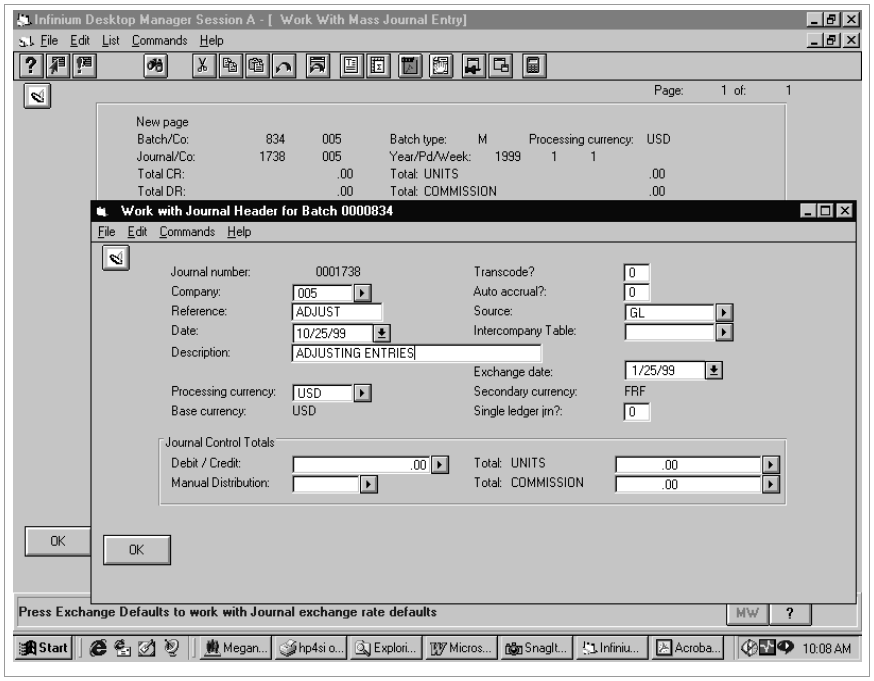


Figure 4-4: Work with Journal Header window

The system also displays the fields described in this section in the Work with AutoBatch window.

The default values in the *Base currency* and *Secondary currency* fields are from the journal company.

You can position your cursor in this window and press F7 from this window to update or delete default exchange rate values. Refer to Figure 4-11 for more information.

Defining Journal Header Information

5 Use the following information to complete the currency related fields in the Work with Journal Header window:

Processing currency

The system uses the currency you type in this field as the default processing currency for the transactions in this journal. You can override the processing currency for the transactions in this journal. You override the processing currency by typing a different currency next to the account in the *Cur* field on the Work With Mass Journal Entry screen (refer to Figure 4-5).

If you create transactions in Infinium Project Accounting for transfer to Infinium GL, the Infinium PA transaction currency and the Infinium GL company base currency must be the same.

Exchange date

The default is the current system date. You can override this date. If you type a date that is not within the period specified on the batch header, the system displays a warning message. This message notifies you that the exchange date is not within the year and period for the batch. To update the file and keep the date that you specified, press Enter.

Infinium GL uses this date to retrieve the exchange rate from the Infinium CM system.

Single ledger jrn?

If you enabled dual currency processing, the system automatically converts journals entered in the base currency amount to the secondary currency amount. In addition, the system automatically converts journals entered in the secondary currency to the base currency.

Type **1** if you do not want the system to perform the conversion for this journal.

For example, if you type **1** in this field and enter a journal in a company's secondary currency, the system does not convert the secondary currency amounts to base currency amounts. However, if you type **1** in this field and enter the journal in a foreign amount, the system still converts the foreign amounts to base currency amounts. The system does not convert the base currency amounts to secondary currency amounts.

Journal Control Totals

The amount you type in the *Debit/Credit* field represents the total debit or credit amount in the processing currency. If the journal contains multiple currencies, this total is a hash total.

6 Press Enter. If there is no journal exchange rate control between the currencies that the system must convert, the system displays a window

similar to Figure 4-10. If a journal exchange rate control does exist, the system displays a screen similar to Figure 4-5.

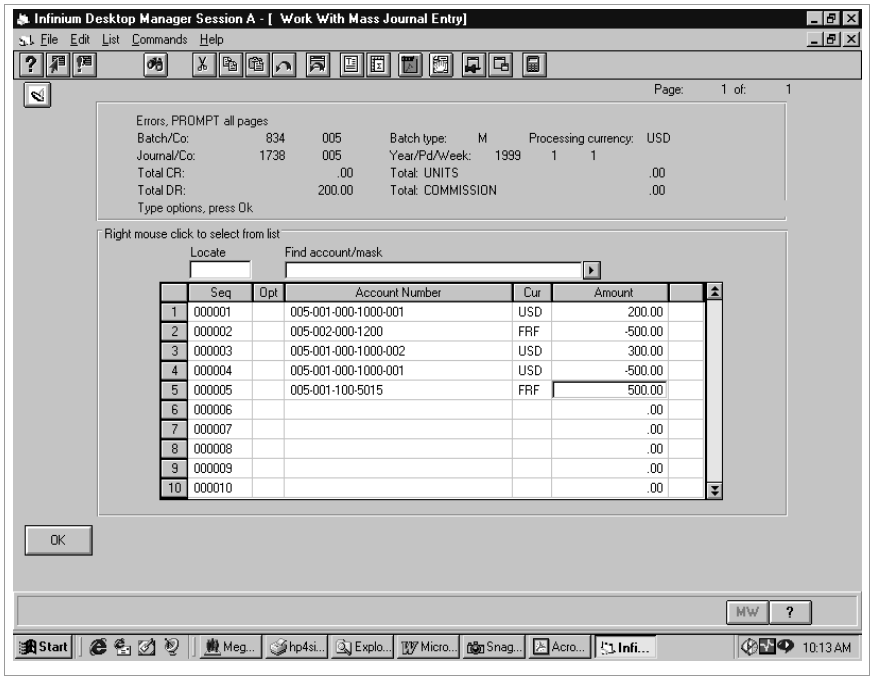


Figure 4-5: Work With Mass Journal Entry transaction entry screen

Entering Journal Transactions

7 Use the following information to complete the fields on this screen:

Opt

To work with a listed transaction, select the transaction.

- You can then type **5** and press Enter to change the exchange date, amount, exchange rate or rate type for that transaction. If you change one of these values, the system updates the values in the other three fields as appropriate. If the system has not yet converted the journal, the system converts the journal in order to display currency amounts when you have worked with the currency.
- You can select *Change details* to display a transaction detail window and make changes. Press Enter to return to the Mass Journal Entry screen.

  If you have activated Infinium PA in the Infinium GL controls and you specified a value in the job code field, the system displays an additional window for entry of project-related data. Press Enter again to return to the Mass Journal Entry screen.

Cur

Type the currency in which to denominate this transaction. To use the processing currency that you specified on the journal header, leave this field blank.

Using the Services Menu

When you press F15 to display the Services Menu, you can select the following options with **1** to view currency related information.

Currency Totals

The system displays a window similar to Figure 4-6.

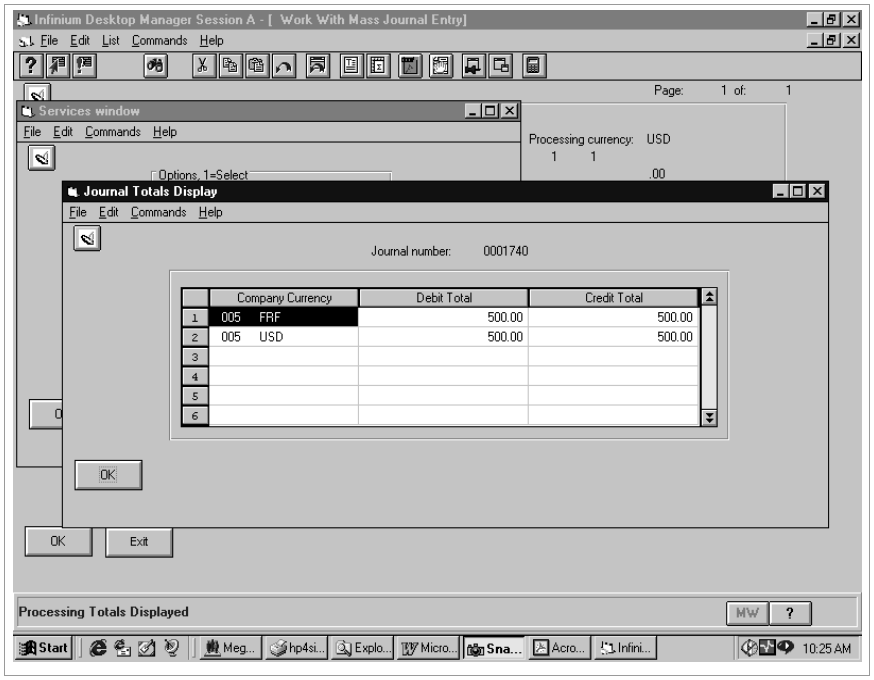


Figure 4-6: Journal Totals Display window

The system displays the debit total and credit total for the processing currency.

Display Currency Distributions

The system displays a screen similar to Figure 4-7.

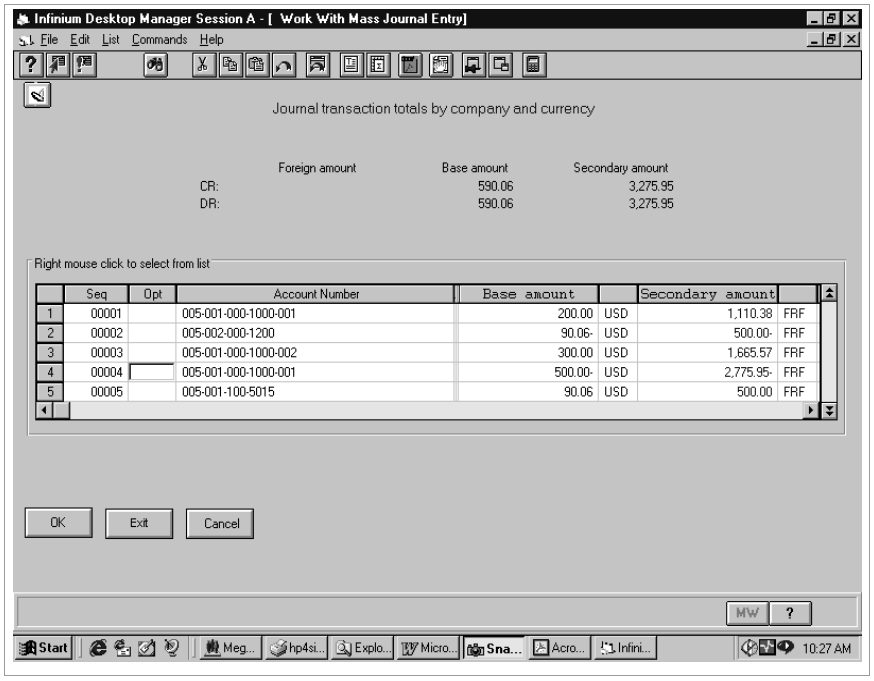


Figure 4-7: Work With Mass Journal Entry Journal transaction totals by company and currency screen

If you enabled multi-currency and dual currency processing, the system displays each transaction with its processing currency amount, base currency amount and secondary currency amount. In addition, the system displays debit totals and credit totals for the foreign, base and secondary currencies.

You can select a currency distribution and then type **5** in the *Opt* field and press Enter to display currency rates. The system displays a screen similar to Figure 4-8.

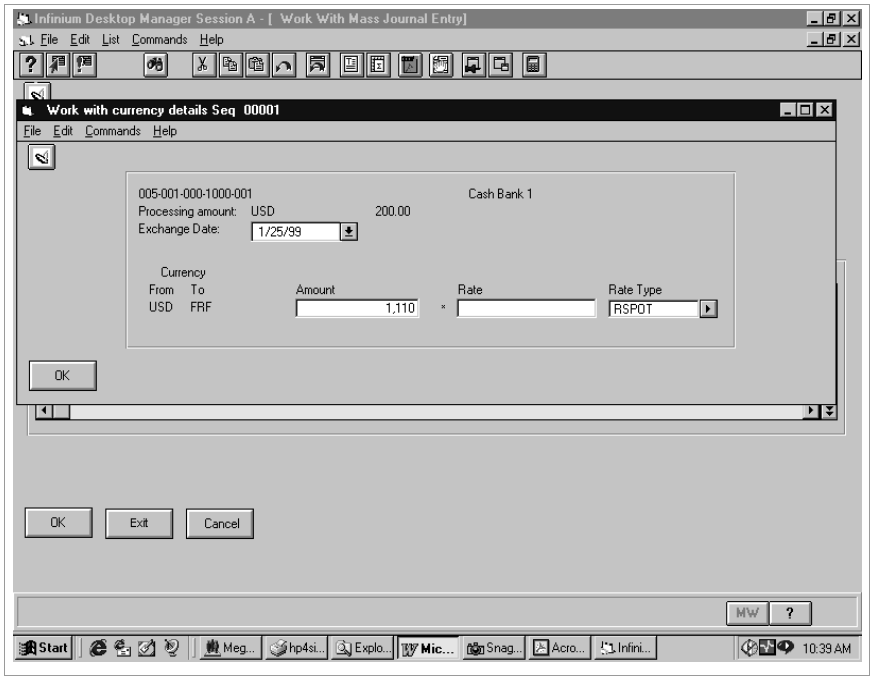


Figure 4-8: Work with currency details screen

Reset Journal Transactions

The system displays a window similar to Figure 4-9.

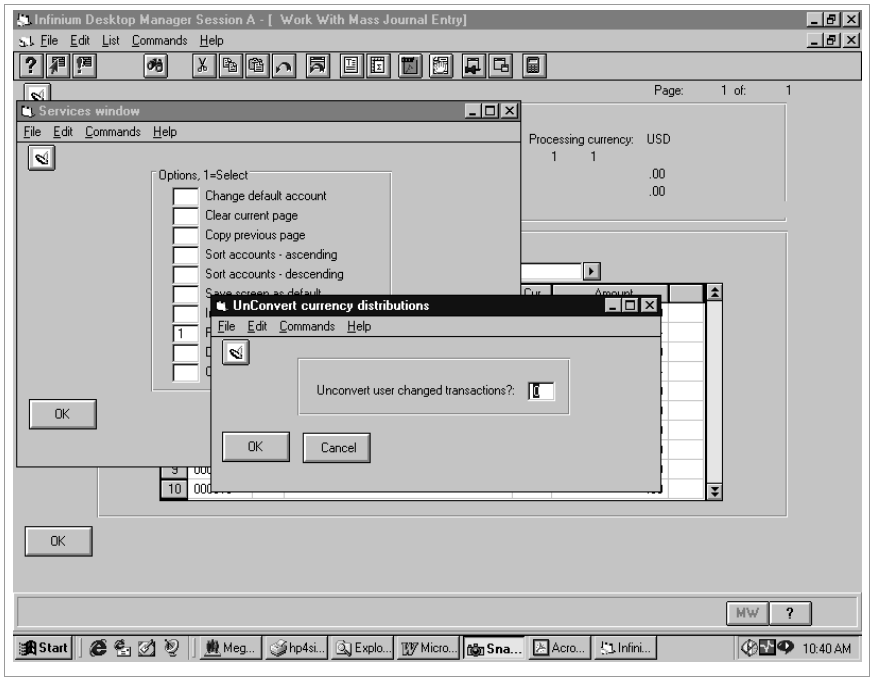


Figure 4-9: UnConvert currency distributions window

The system resets the journal's transactions by removing the currency distribution records. This deletes converted amounts from the journal.

If you have manually overridden any currency information, the system displays a window in which you can indicate whether to reset the changed amounts. If the system should not reset the changed items, the value in the *Unconvert user changed transactions?* field must be **0**. Press Enter to return to the Work With Mass Journal Entry window.

Completing Transaction Entry for the Journal

8 When done entering transactions for the journals, press Enter. The system edits your entries and then advises you to update the journal.

9 Press F16 to update the journal with your distributions.

10 Continue to enter journal transactions in the batch or press F3 to return to the main menu.

11 The following pages describe additional currency related actions that you can take during the mass journal entry.

Updating Exchange Rate Default Data

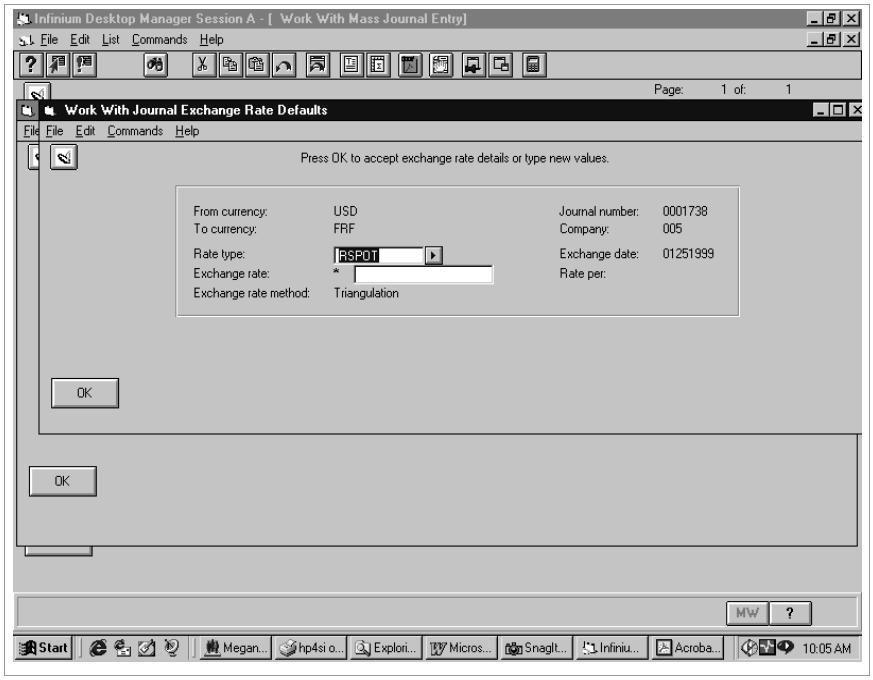


Figure 4-10: Work With Journal Exchange Rate Defaults window

The system displays this window when you do one of the following:

- Press Enter at the Work with Journal Header window or the Work with AutoBatch window and a journal exchange rate control does not exist between the currencies that the system must convert.
- Select an item at the Exchange Rate Defaults List window, type **5** and then press Enter, as described in the next topic in this section.
- Press F16 after you enter an account to a journal from a company that has a different base currency than that of the journal company. Refer to the discussion on intercompany currency processing on page 4-17 for more information.

You use this window to update exchange rate default information that the system retrieved from the Infinium CM system. You can make changes only to unconverted journals.

Use the following information to complete the fields in this window:

Rate type

Infinium GL uses this rate type in conjunction with the *From currency*, the *To currency* and the *Exchange date* fields to retrieve an exchange rate from the Infinium CM system.

The following table lists the default rate type that the system uses when converting from one currency to another currency:

From	To	Rate Type
Foreign Currency	Base Currency	Journal entry rate type from the multi-currency screen in *Work with company controls*.
Base Currency	Secondary Currency	Journal entry rate type from the dual currency screen in *Work with company controls*.
Secondary Currency	Base Currency	Journal entry rate type from the dual currency screen in *Work with company controls*.

Exchange rate

Infinium GL uses the exchange rate to convert the transaction. You can override this rate if you specify a new rate that is within the tolerance level specified in the Infinium CM system.

To retrieve the correct exchange rate, the system compares the journal exchange date to the effective date of the rate in the Infinium CM system. Infinium GL retrieves the rate with the effective date that equals the journal exchange date. If no rate exists for that date, Infinium GL retrieves the closest date that precedes the journal exchange date.

For example, if the exchange date is May 15, 1999, and the tolerance is thirty days, the rate for April 15, 1999, is valid.

For further information, refer to the *Infinium CM Guide to Setup and Processing*.

Accessing Exchange Rate Default List Window from the Journal Header

From the journal header you can update or delete default exchange rate values that the system obtained from the Infinium CM system. This provides you with another opportunity to make exchange rate changes after you have pressed Enter at the Journal Exchange Rate Defaults window illustrated previously.

Press F6 at the Work With Mass Journal Entry Window within a batch to access the Journal Header. Then press F7. The system displays a window similar to Figure 4-11.

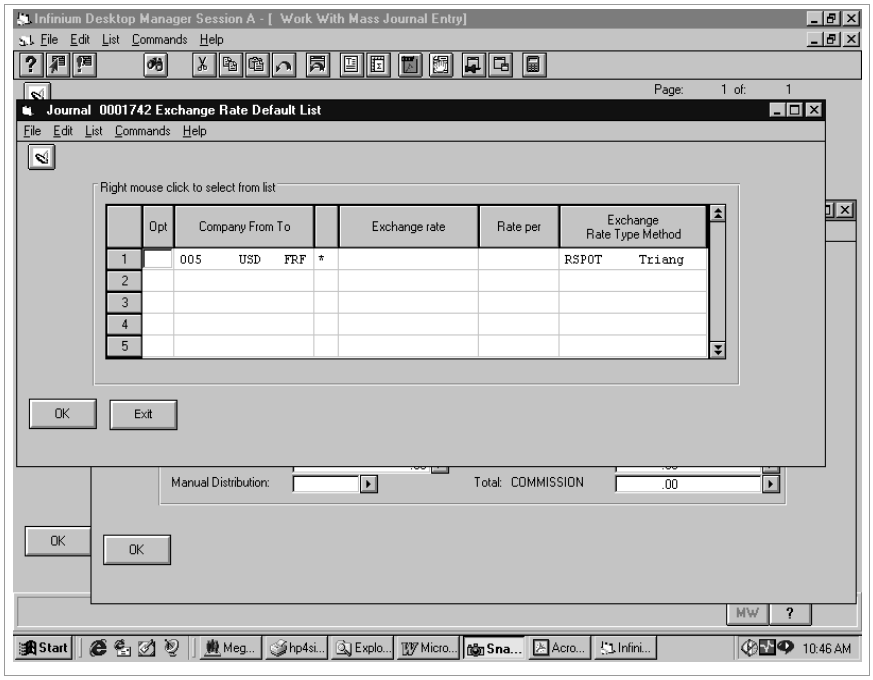


Figure 4-11: Exchange Rate Default List window

The following actions are available at this window:

5 To display the Work With Journal Exchange Rate Defaults Window and update an exchange rate or change a default rate type for the *Company*, *From currency* and *To currency* combination.

4 To delete an exchange entry when the system should not apply this exchange rate information to this journal for the *Company*, *From currency* and *To currency* combination.

You cannot work with or delete entries in this window after currency conversion has occurred for the journal with which you are currently working. Press F15 to access the Services menu and select the *Reset transactions* option to unconvert a journal. You can then change the exchange rate defaults.

You should not unconvert journals converted in a foreign subsystem.

Intercompany Currency Processing

Infinium GL allows intercompany processing between companies with different base currencies. The source and target companies in an intercompany pair do not have to have the same base currency.

In journal entry you can enter an account to a journal from a company that has a different base currency than that of the journal company.

For example, suppose an intercompany pair consists of the following companies:

- Company 002 whose base currency is GRP (British Pounds Sterling)
- Company 001 whose base currency is USD (United States Dollar)

First you create a batch for company 002. The batch currency is GRP and the exchange rate is 1.0.

Next, you enter transactions for company 002 and company 001. Then you press F16 to update the journal.

The system displays a default exchange rate. You can modify this as long as it remains within the tolerance level specified for the rate control record in the Infinium CM system.

The system uses the exchange rate to convert GRP to USD. The system converts all of the transactions you entered for company 001 to USD using the exchange rate you specify in this window.

Proofing, Accepting, and Posting Journals

You use the same process to proof, accept and post journals whether or not you have enabled currency processing within Infinium GL.

Proof Input Journals

When you run *Proof input journals*, the program validates all of the transactions and journals, and it converts currencies as required. The report lists the processing amount of the transaction as well as any converted amounts.

Accept and Post Journals

When you run *Accept & post journals*, the proof program validates all of the transactions and journals, and it converts currencies as required. The accept program moves all data from the input journal files and updates the transaction history files. The post updates all of the balance files.

Accept Input Journals

When you run *Accept input journals*, the system proofs and accepts input journals, but it does not post them. The proof program validates all of the transactions and journals, and it converts currencies as required. The accept program moves all data from the input journal files and updates the transaction history files.

Post Journals and Close Period

When you select *Post journals & close period*, the post program moves all data from the accepted input journal files and updates the transaction history files. In addition, this function rolls the current accounting period to the next accounting period for the companies included in the post and close.

Closing the Year

You use the same process to close the year whether or not you have enabled currency processing within Infinium GL.

Create Year End Closing Journal

When you run *Create year end closing journal*, the program creates a journal for any company and year you specify. The program generates a year end closing journal for each currency balance within the company. Each journal contains transactions that set the account balance for that currency to zero when you post the journal.

For example, if you have an account denominated in FRF in a company with a base currency of USD and a secondary currency of CDN, the system creates three separate journals to zero out these balances.

Proof Year End Closing Journal

When you run *Proof year end closing journal*, the program validates the data and provides you with a proof report. The report includes any problems that you will encounter when you post the year end journal and close the year.

Post Year End Journal and Close Year

When you run *Post y/e journal & close year*, you accept and post all year end closing journals.

Notes

Chapter 5 Transcoding Journals

5

This chapter contains information about transcoding companies, account relationships in the chart of accounts, and transcoding journals.

The chapter consists of the following topics:

Overview of Transcoding Journals

Transcoding is the process that allows you to post financial information from one or more companies to a single company that may or may not have a different account structure. The system transcodes this information by copying transactions from one or more companies to another company.

You can use transcoding to perform the following tasks:

- Report legal, government or regulatory information
- Consolidate several general ledger (GL) companies

To use transcoding, you must set up controls within the *Work with entity control* and *Work with company controls* options in *Control File Functions*.

To perform transcoding, you must set up two types of companies.

- GL company

  A GL company is a company in which you enter your original journal transactions. GL companies contain the highest level of detail.

- Transcoded company

  A transcoded company primarily obtains its financial information from one or more GL companies through the transcoding process.

After you define these controls and companies, you must set up the specific account relationship between the chart of accounts for the GL company and the chart of accounts for the transcoded company.

At journal entry time you specify the journals to transcode. The system creates the transcoded journal during the accept process for the original journal. Depending on the entity control selections that you make, the system does one of the following:

- Creates the transcoded journal as an input journal
- Creates and automatically accepts the transcoded journal
- Creates and automatically accepts and posts the transcoded journal

You can also create transcoded journals from any previously posted journals using the *Transcode journals* option.

Because you define a transcoded company as a separate company in Infinium GL, you can use a transcoded company in every function on the

system that accesses companies. In addition, the GL company and the transcoded company can have different accounting periods and different current periods.

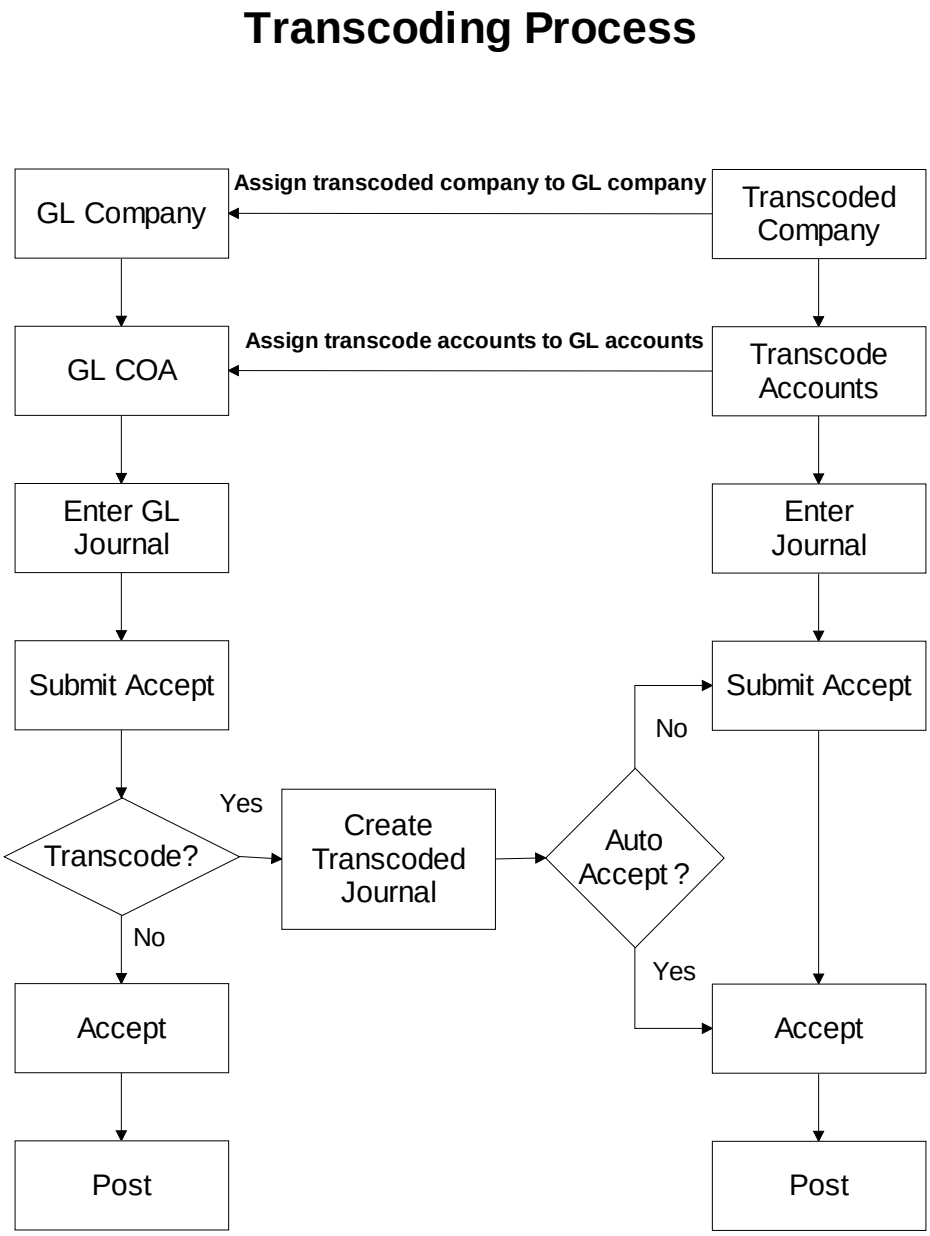


Figure 5-1: Transcoding Process

Objectives

After completing this chapter, you should be able to recognize how processing in multiple currencies impacts the control decisions regarding transcoding that you must make within the *Work with company controls* and *Work with chart of accounts* options.

Setting Up Transcoding in Company Controls

Overview

You must first enable transcoding and define the transcoding controls for the entity. The entity level controls specify whether you post to a transcoded suspense account and whether you create transcoded journals. To create transcoded journals, you must specify whether you only create, create and accept or create, accept and post the transcoded journals.

You must first enable transcoding by completing the entity controls for transcoding journals. Refer to the “Activating Transcoding in Entity Controls” section in Chapter 7 of the *Infinium GL Guide to Processing and Reporting* for more information.

Once you have defined the entity controls, you must further define transcoding in the company controls. You must set up two types of companies to use transcoding.

- GL company

  You use the GL company to enter the original journals. Within the company controls for the GL company, you specify the transcoded company for which the system will create transcoded journals.

- Transcoded company

  The transcoded company is the company for which the system creates transcoded journals.

Steps to Set up Companies for Transcoding

To set up companies for transcoding, perform the following steps:

1. From the main menu select *Control File Functions*.
2. Select *Companies*.
3. Select *Work with company controls* [WWCC].

4 Specify a company identifier in the *Company* field and press Enter.

5 Select the *Transcoding controls* attribute. Type **5** and press Enter. The system displays a screen similar to Figure 5-2.

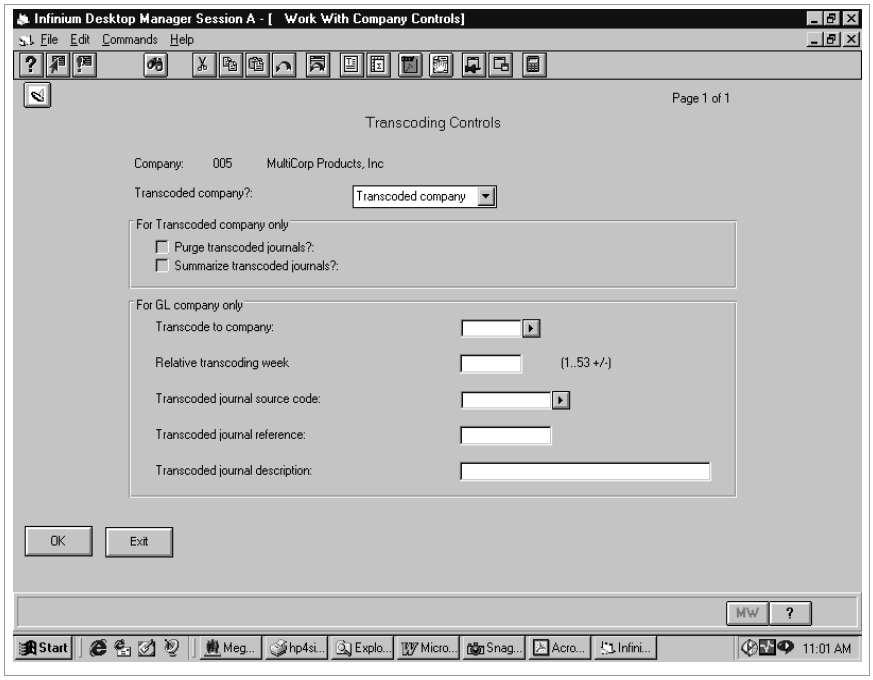


Figure 5-2: Work With Company Controls Transcoding Controls screen

You use this screen to define the transcoding controls for the GL company and for the transcoding company.

Remember the following requirements when you define the GL company and the transcoding company:

- Accounting Period Requirements

  The GL company and the transcoded company must have the same number of accounting periods.

- Currency Requirements

  The base or secondary currency of the GL company must match the base or secondary currency of the transcoded company. The GL company and the transcoded company must have at least one currency in common within their company controls.

6 Specify whether the company is the GL company or the transcoded company. Specify *GL company* in the *Transcoded company?* field when you define the GL company. Specify *Transcoded company* in the *Transcoded company?* field when you define the transcoded company.

7 Use the following information to complete this screen when defining your transcoded company:

Purge transcoded journals?

Specify whether the system should automatically purge transcoded journal transactions from the system after it has posted them to the transcoded company.

Summarize transcoded journals?

Indicate whether the system should summarize entries to the same transcoded account when it transcodes a journal to this company.

8 Use the following information to complete this screen when defining your GL company:

Transcode to company

Type a valid identifier of the transcode company to which this GL company transcodes its journals.

More than one GL company can transcode to the same transcode company.

Relative transcoding period

Specify the relative transcoding period or week the system uses to increment the period or week of the transcoded journal. The system uses this information if the GL company and the transcoded company have different fiscal calendars.

Transcoded journal source code

Identify the transcoded journal source code the system assigns to all journals created by this company's transcoding journals. If you leave this field blank, the transcoded journal retains the transcoded journal source code of the original journal.

Transcoded journal reference

Identify the transcoded journal reference the system assigns to all journals created by this company's transcoding journals. If you leave this field blank, the transcoded journal retains the transcoded journal reference of the original journal.

Transcoded journal description

Identify the transcoded journal description the system assigns to all journals created by this company's transcoding journals. If you leave this field blank,

the transcoded journal retains the transcoded journal description of the original journal.

9 Press Enter to update the record after you enter transcoding controls for the company.

Defining Account Relationships

Overview

After you have defined the company controls for both the GL company and transcoded company, you can create the chart of accounts for each company.

Next, you assign a transcode account to a GL company account for each account that the system transcodes. You can assign the same transcode account to several GL company accounts; however, you cannot assign several transcode accounts to the same GL company account.

Refer to the “Defining Account Relationships” topic in Chapter 7 of the *Infinium GL Guide to Processing and Reporting* for detailed non-currency information.

Steps to Define Account Relationships

To define account relationships, perform the following steps:

1. From the main menu select *Control File Functions*.
2. Select *Chart of Accounts.*
3. Select *Work with chart of accounts* [WWCOA]. The system displays a screen similar to Figure 5-3.

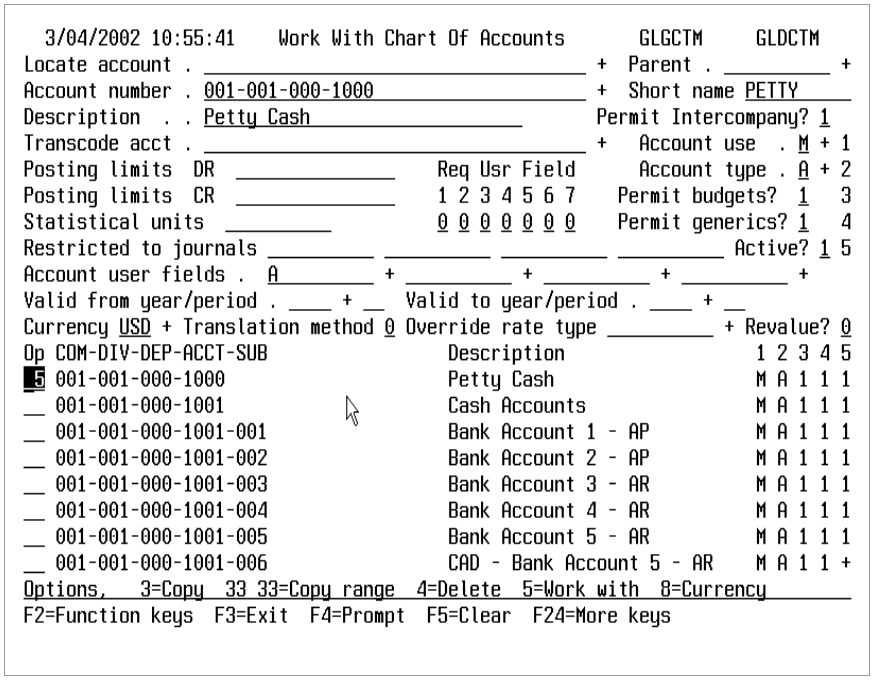


Figure 5-3: Work With Chart Of Accounts screen

You use this screen to assign the transcode account to the GL company account.

4 Use the following information to complete this screen:

Transcode acct

Type the transcode account assigned to the GL account you are creating or updating.

When you attach a transcode account to a GL account, the system checks the denominated currency of the transcode account. To attach a transcode account to a GL account, the transcode account currency must be the same as one of the following:

- Base currency or secondary currency of the GL company
- Base or secondary currency of the transcoded company
- Account currency of the GL account

Creating and Posting Transcoded Journals

Within journal entry you specify whether the system creates transcoded journals from the journal you are entering. You can use the *Work with mass journal entry* option to view or update the journal. You cannot use the *Work with journals* option.

Refer to the “Creating Transcode Journals” and “Transcoding Posted Journals” sections in Chapter 7 of the *Infinium GL Guide to Processing and Reporting* for more information.

A window similar to the following window in the *Work with mass journal entry* option displays the *Transcode?* field:

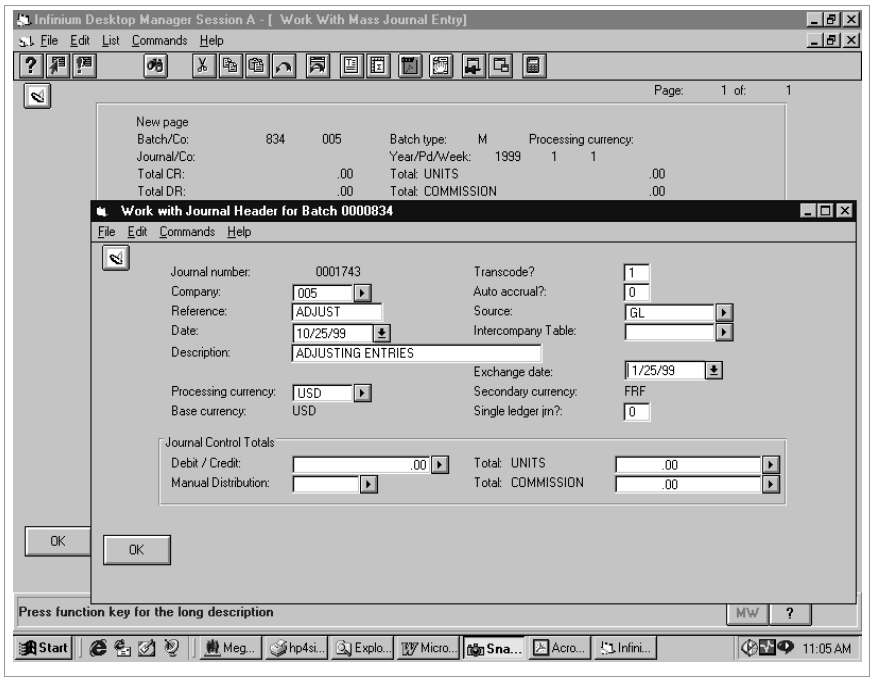


Figure 5-4: Work with Journal Header window

The system generates the transcode company journal when it accepts the GL company journal. The system creates the transcode journal header with the base currency of the transcode company as the default processing currency.

Infinium GL carries over all of the balances for which a relationship exists with the transcoded company.

The system attempts to transcode the processing currency of the journal to the transcoded journal. If base and secondary amounts for GL journal transactions exist, the system attempts to transcode them.

Infinium GL transcodes all amounts to the transcoded company under the following conditions:

- If the amount currency is equal to the base or secondary currency of the transcoded company
- If the amount currency is equal to the currency in which the transcoded account is denominated
- If the amount currency is a foreign currency, the transcode account is denominated in the base or secondary currency of the transcoded company, and multi-currency processing is enabled

The following are the two possible scenarios for the creation of the transcoded journal's transactions based on the controls set in each of the companies:

- The system completely converts transcoded transactions when it creates them.
- The system creates some transcoded transactions that need additional conversion before the system can accept them.

The system may drop one or two GL company transaction amounts when it creates the transcoded company transaction. This occurs if the currency of the amount is not the base, secondary, or account currency of the transcoded account.

Chapter 6 Running Analytical Inquiries and Reports

6

This chapter contains information about running analytical inquiries and reports that you use to analyze financial data in your secondary or foreign currencies.

The chapter consists of the following topics:

Overview of Running Analytical Inquiries and Reports

Infinium GL provides you with several standard reports and inquiry functions in *Analytical Inquiries & Reports*. You can use these functions to analyze your financial data in a company's secondary currency or any foreign currency.

You can view your interactive trial balance in your base, secondary or foreign currency.

The following standard reports are available for analysis of your financial data in a particular currency:

- Month-to-Date Trial Balance
- Year-to-Date Trial Balance
- Month-to-Date General Ledger
- Year-to-Date General Ledger
- Selective Ledger
- Comparative Ledger
- Job Costing Analysis

The following Infinium Query Interface reports allow you to analyze your financial data in a foreign currency, base currency or secondary currency:

- Trial Balance
- General Ledger
- Job Cost Analysis
- Budget Variance

Objectives

After completing this chapter you should be familiar with how to:

- Display a month-to-date trial balance denominated in your base, secondary or foreign currency

- Display a year-to-date trial balance denominated in your base, secondary or foreign currency
- Display a trial balance comparison between two periods, quarters, or years in your base, secondary, or foreign currency
- Print standard and Query Interface reports in your base, secondary or foreign currency

Displaying a Trial Balance

Overview

The *Interactive trial balance* option allows you to view the following information:

- Posted or accepted transactions for a particular period
- Current account balances for a particular year
- A comparison between balances for two periods, quarters, or years.

This option displays up-to-date account data. You can view the journals and transactions that make up the displayed balances. If the display compares balances for two periods, quarters, or years you can view the journals and transactions for the balances displayed in the first column.

You can also display additional lines with the budgeted amounts and the variances between the actual and budgeted amounts. In a view that displays two columns comparing two periods, quarters, or years side by side, the variances displayed are for each listed time period individually.

For example, if you compare June of 2006 with June of 2005, the display shows the variance between the budgeted amount and actual amounts for June of 2006 in the first column, and the variances between the budgeted amounts and actual amounts for June of 2005 in the second column.

In addition to the normal functions available through the *Interactive trial balance* option, you can use this option to inquire on the base currency transactions and balances, the foreign currency transactions and balances, and the secondary currency transactions and balances of an account.

The examples in this section illustrate displaying a company's month-to-date trial balance and displaying a company's year-to-date trial balance.

In both of these examples, the value in the *Maintain debit/credit balances?* field for journal controls in the *Work with company controls* option is no (**0**).

For additional examples, including comparisons between time periods, refer to the *Infinium GL Guide to Processing and Reporting*.

Steps to Display a Month-to-Date Trial Balance

To display a month-to-date trial balance, perform the following steps:

1 From the main menu select *Analytical Inquiries & Reports.*

2 Select *Interactive trial balance* [ITB]. The system displays a screen similar to Figure 6-1.

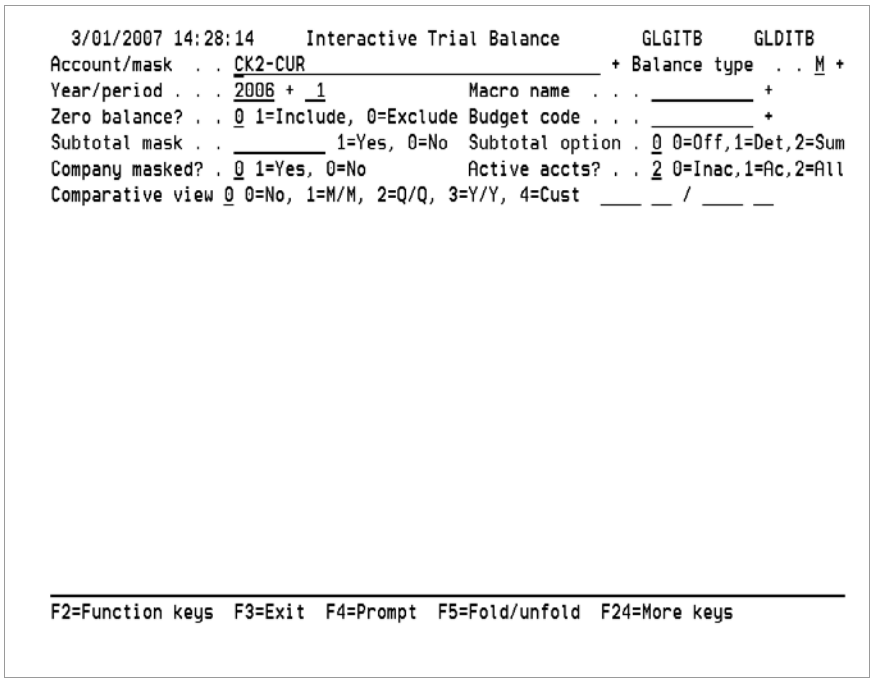


Figure 6-1: Interactive Trial Balance – initial selection criteria screen

Refer to Chapter 11, “Using Analytical Inquiries and Reports” in the *Infinium GL Guide to Processing and Reporting* for detailed non-currency information on the Interactive Trial Balance.

Defining Interactive Trial Balance Criteria

3 Specify the selection criteria for which to run the interactive trial balance.

For a month-to-date view, you must type a value in the *period* field.

4 Press F17 (Subset) to specify additional criteria. The system displays a screen similar to Figure 6-2.

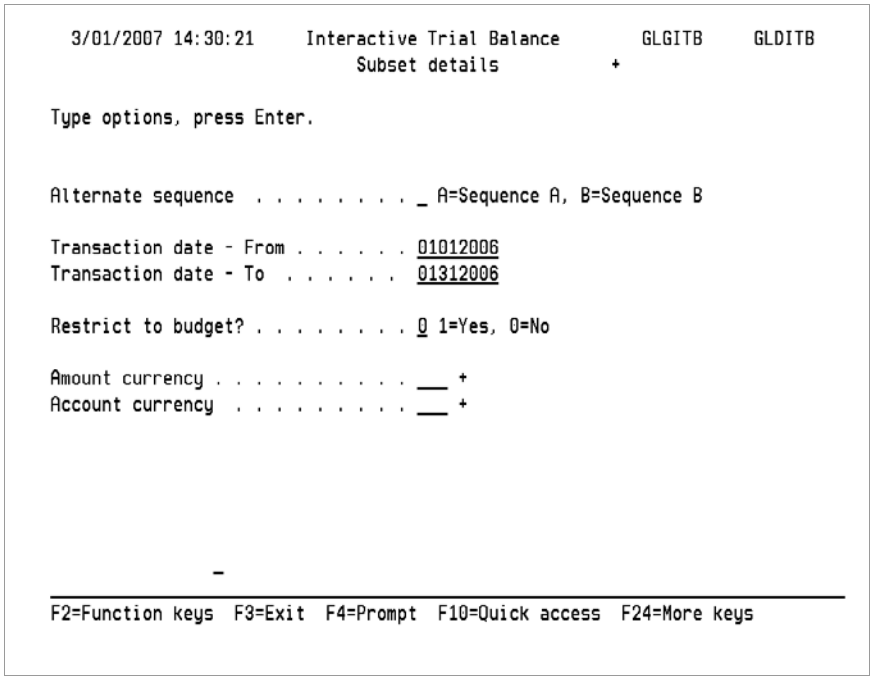


Figure 6-2: Interactive Trial Balance Subset details screen

Use this screen to specify a currency in which to display amounts and optionally to limit the display to accounts with a specific currency.

5 Use the following information to complete the fields on this screen:

Amount currency

Type the currency in which the system is to display amounts. If you leave this field blank, the system displays the amounts in the company's base currency.

Account currency

To display only accounts denominated in a particular currency, type that currency in this field. To include all account currencies, leave this field blank. The system displays the amounts in the company's base currency.

If you restrict the selection of accounts to those denominated in a particular currency, you must specify **0** (Exclude) in the *Zero balance?* field on the Interactive Trial Balance initial selection criteria screen to suppress the display of accounts with zero balances.

6 Press Enter. The system returns you to the initial selection criteria screen.

7 Press Enter. The system displays a screen similar to Figure 6-3.

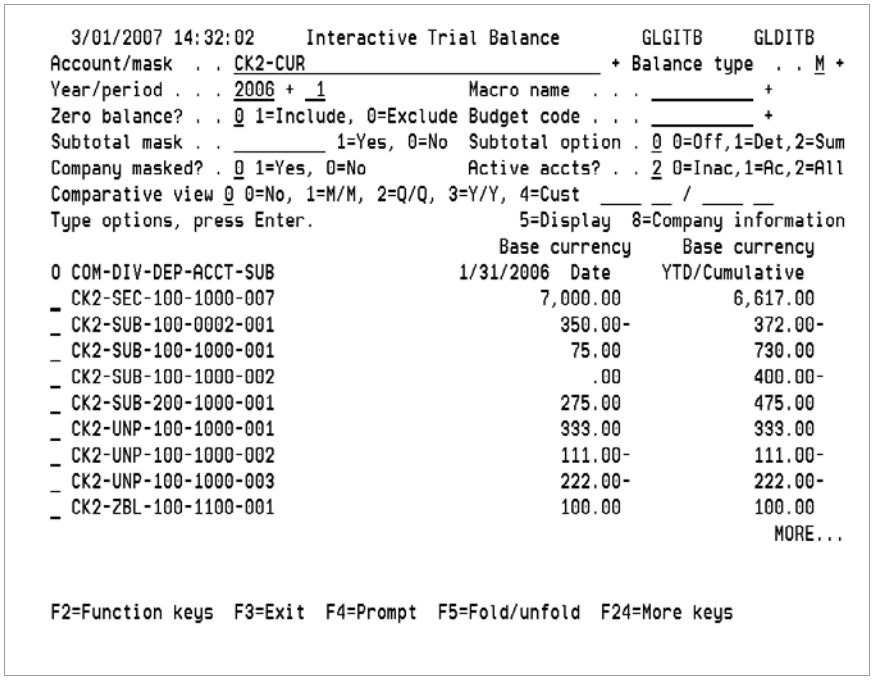


Figure 6-3: Interactive Trial Balance account display screen

When you specify a month-to-date view by specifying a year and period, the system displays the net account activity for the current period and the year-to-date cumulative balance for the selections you specified. These balances reflect accepted and posted transactions as well as accepted only transactions.

You have the following options on this screen:

- Select an account with **5** and press Enter to display a list of journals for this account.
- Press F11 (Alternate view) to toggle between displaying the base currency amounts and secondary currency amounts. The system specifies base or secondary currency in the column headings.

  This alternate view is available only if you did not limit the display to a single currency in the *Amount currency* field.
- Press F5 (Fold/unfold) to display foreign balances for foreign denominated accounts. The screen unfolds (expands) the subfile to display the base or secondary and foreign currency balances associated with the accounts you selected.

You can perform a chaseback to the individual transactions associated with the base or foreign currency balances as described in steps below. If you select the foreign balance, the system initially displays any further chaseback information in the foreign currency. Alternatively, if you select the base

currency balance, the system initially displays any further chaseback information in the base currency.

You can display the translated balances of a translation company by inquiring on the accounts of the associated translation company from this screen. Because the translation company does not hold the transactions associated with the translated balances, however, you cannot perform a chaseback to inquire about these transactions in the translation company.

8 Select an account. Type **5** and press Enter. The system displays a screen similar to Figure 6-4.

```
  3/01/2007 14:33:26     Interactive Trial Balance        GLGITB     GLDITB
                                  Journals
Select journal to display account transactions.
Account  . : CK2-SEC-100-1000-007                CK2/ITB USD BANK 007
Period . . . . . : 2006  1 JAN  1/31/2006 Monetary    USD
Start balance  . . :            383.00- Posted activity  .          7,000.00
End balance  . . . :          6,617.00  Unposted activity               .00
O  Journal Date      Reference  Source               Currency       Amount
_   19876  1/01/2006 2006 / 01                      USD          7,000.00
                                                                       BOTTOM
Press Currency Detail to display more information.
F2=Function keys  F3=Exit  F5=Fold/unfold  F6=More info.  F24=More keys
```

Figure 6-4: Interactive Trial Balance Journals screen

This screen displays the processed journals associated with the period and account that you selected on the previous screens.

You have the following options on this screen:

- Press F11 (Currency detail) to view additional currency details for the displayed journals.
- Select a journal and then type **5** and press Enter to see the transaction detail.

9 Press F11. The system displays a screen similar to Figure 6-5.

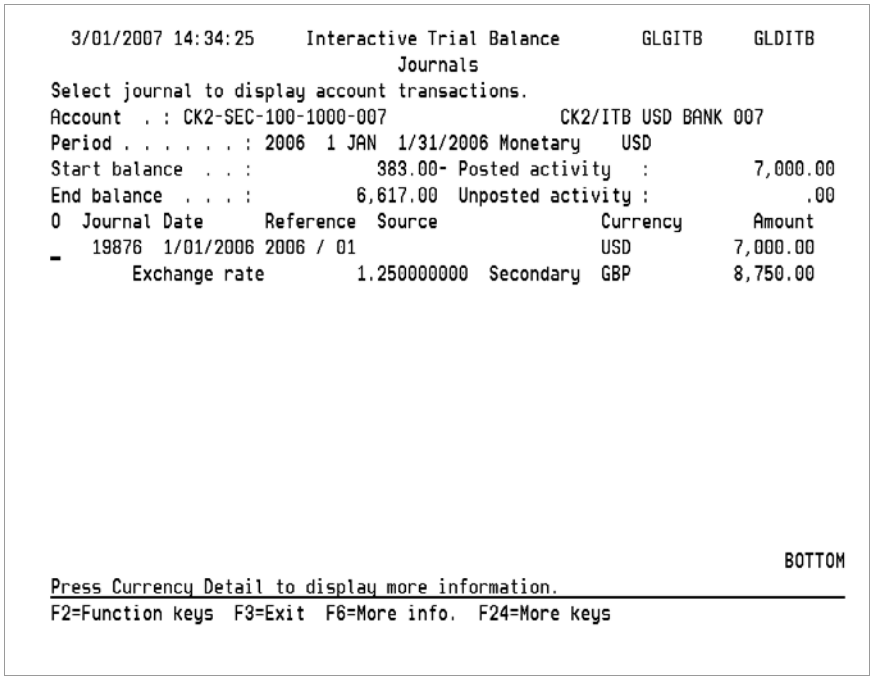


Figure 6-5: Interactive Trial Balance Journals currency detail screen

The system displays the following currency information for each journal entry:

- Base currency value
- Original foreign currency value of the transaction, the exchange rate used during the conversion process, and the associated currency code
- Secondary currency value

In this example, the displayed journal was entered in base currency USD. The system converted the journal to the secondary currency (GBP). You will learn more about the revaluation journal in the next chapter of this guide.

10 To display the transactions included in this journal, type **5** next to the journal and press Enter. The system displays a screen similar to Figure 6-6.

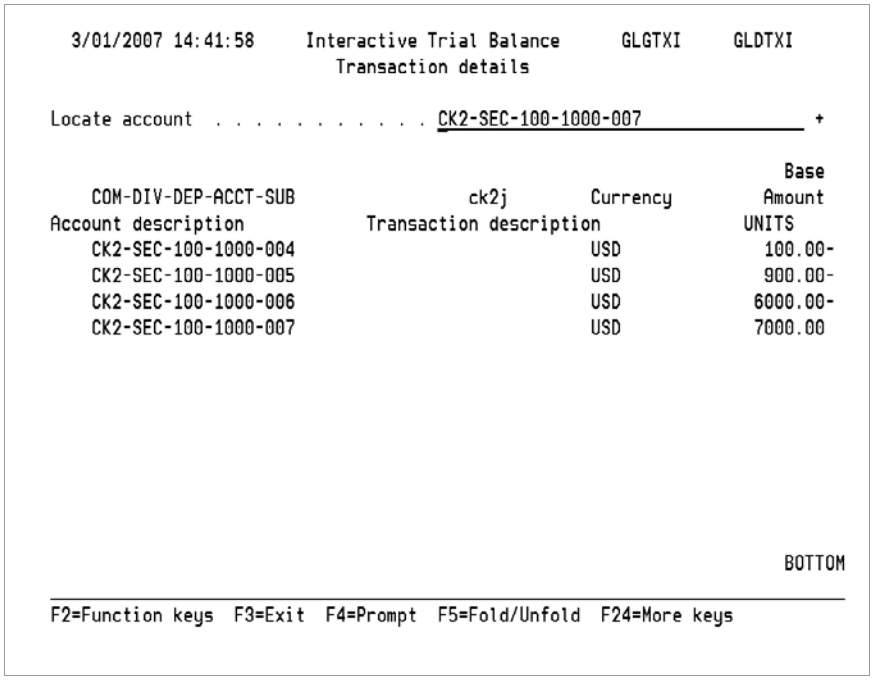


Figure 6-6: Interactive Trial Balance Transaction details screen

The system displays all of the transactions within the journal that you selected. It defaults the account you originally selected into the *Locate account* field.

You have the following options on this screen:

- Press F11 (Alternate view) to toggle between displaying the base currency amounts, secondary currency amounts, and processing currency amounts.
- Press F6 to display journal header information. For information about the currency-related fields on the journal header, refer to the description of the journal header in the topic, “Steps to display a year-to-date trial balance” below.
- Press Enter to begin the transaction list with the account specified in the *Locate account* field.

11 If you transferred the journal entry from an Infinium subledger such as Infinium Payables Ledger or Infinium Accounts Receivable, you can select a transaction.

Type **5** and press Enter to view more information from the subledger.

12 Exit to return to the main menu.

Steps to Display a Year-to-Date Trial Balance

To display a year-to-date trial balance, perform the following steps:

1 From the main menu select *Analytical Inquiries & Reports*.

2 Select *Interactive trial balance* [ITB]. The system displays a screen similar to Figure 6-7.

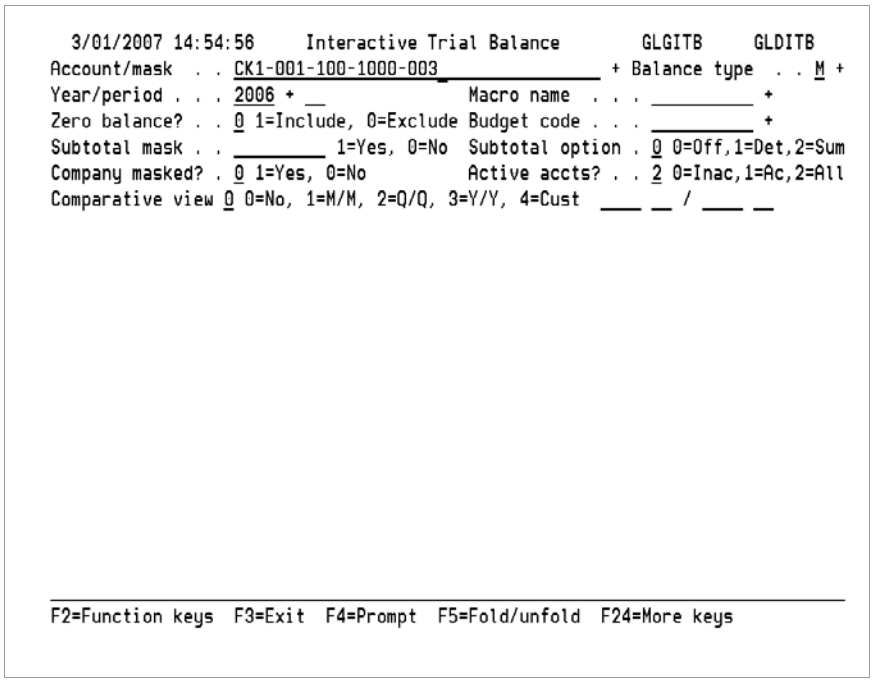


Figure 6-7: Interactive Trial Balance initial screen

3 Specify the criteria to run the interactive trial balance. To display the year-to-date posted debit and credit balance for the specified accounts, leave the *period* field blank.

You can press F17 (Subset) to specify additional criteria. Refer to the explanation of the Interactive Trial Balance Subset details screen in the “Steps to Display a Month-to-Date Trail Balance” topic earlier in this chapter. If you display the Subset details screen, press Enter to return to the Interactive Trail Balance initial screen.

You cannot specify a transaction date range for a year-to-date balance.

4 Press Enter. The system displays a screen similar to Figure 6-8.

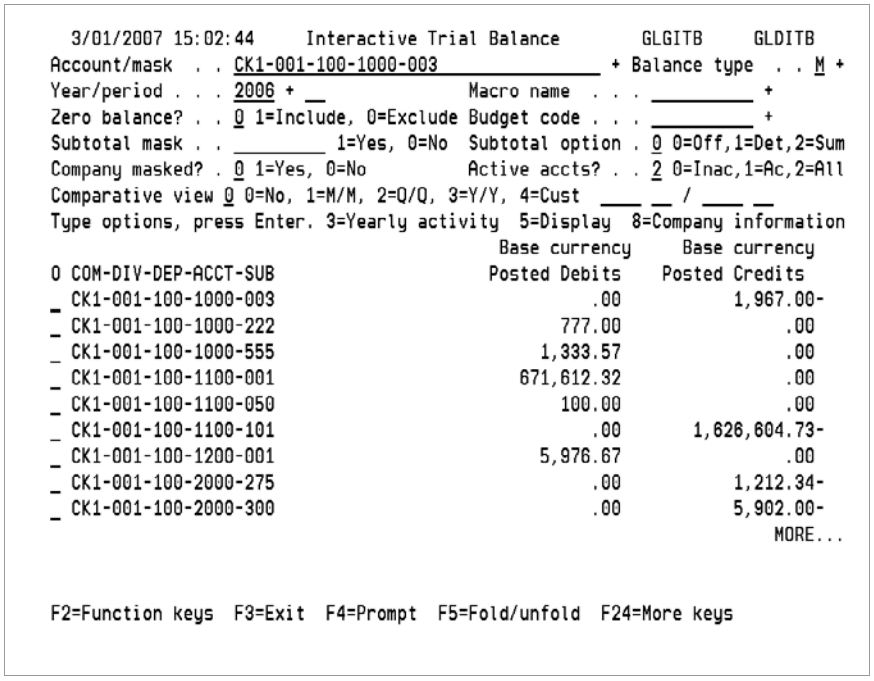


Figure 6-8: Interactive Trial Balance posted debits and credits information screen

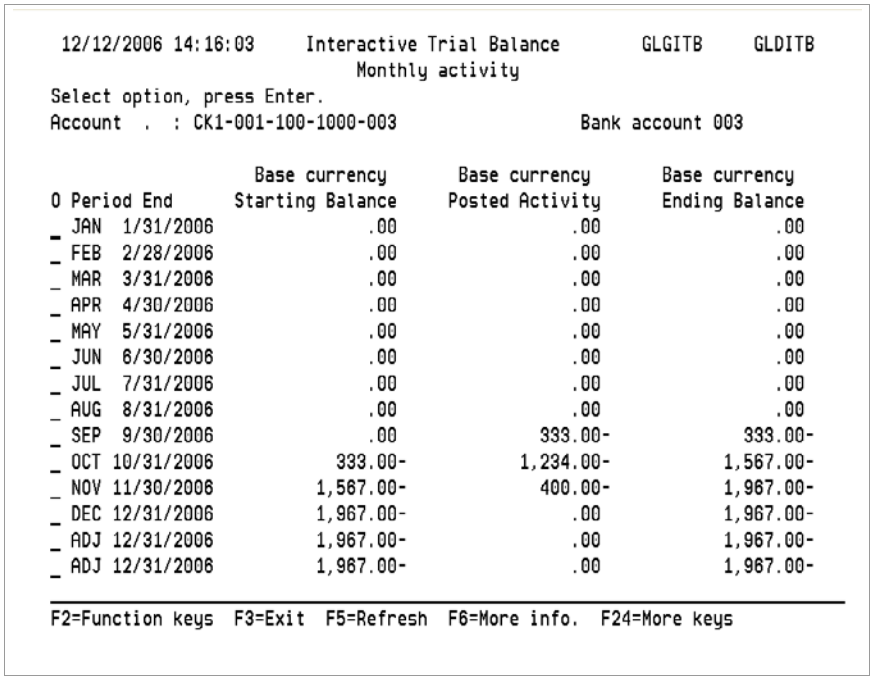
The system displays the monetary balance for every account that meets the selection criteria. If the net monetary balance is positive, the system displays the balance in the *Posted Debits* column. If the net monetary balance is negative, the system displays the balance in the *Posted Credits* column.

If you specified yes in the *Maintain debit/credit balances?* field on the company controls, the system displays the debit and credit balance, rather than the monetary balance for an account.

You have the following options on this screen:

- Select an account and display monthly activity.
- Press F11 (Alternate view) to toggle between displaying the base currency amounts and secondary currency amounts if you did not specify a currency in the *Amount currency* field.
- Press F5 (Fold/unfold) to display the balances for a foreign account currency.

5 Select an account. Type **5** and press Enter. The system displays a screen similar to Figure 6-9.



```
 12/12/2006 14:16:03     Interactive Trial Balance        GLGITB     GLDITB
                               Monthly activity
Select option, press Enter.
Account  .  : CK1-001-100-1000-003                 Bank account 003

                    Base currency       Base currency       Base currency
O Period End      Starting Balance     Posted Activity     Ending Balance
_ JAN  1/31/2006              .00                 .00                .00
_ FEB  2/28/2006              .00                 .00                .00
_ MAR  3/31/2006              .00                 .00                .00
_ APR  4/30/2006              .00                 .00                .00
_ MAY  5/31/2006              .00                 .00                .00
_ JUN  6/30/2006              .00                 .00                .00
_ JUL  7/31/2006              .00                 .00                .00
_ AUG  8/31/2006              .00                 .00                .00
_ SEP  9/30/2006              .00              333.00-            333.00-
_ OCT 10/31/2006           333.00-           1,234.00-          1,567.00-
_ NOV 11/30/2006         1,567.00-             400.00-          1,967.00-
_ DEC 12/31/2006         1,967.00-                .00           1,967.00-
_ ADJ 12/31/2006         1,967.00-                .00           1,967.00-
_ ADJ 12/31/2006         1,967.00-                .00           1,967.00-

F2=Function keys  F3=Exit  F5=Refresh  F6=More info.  F24=More keys
```

Figure 6-9: Interactive Trial Balance Monthly activity screen

This screen displays the starting balance, posted activity and ending balance for each period in the specified year for the account you selected.

If you specified yes in the *Maintain debit/credit balances?* field on the company controls, the system displays the following three columns: posted debits, posted credits, and ending balance. The starting balance for Period 1 displays in the upper right hand corner of the screen.

You have the following options on this screen:

- Select a period and display a list of posted journals.
- Press F11 (Alternate view) to toggle between displaying the base currency amounts and secondary currency amounts if you did not specify currency in the *Amount currency* field on the Interactive Trial Balance Subset details screen.

6 Select a period. Type **5** and press Enter. The system displays a screen similar to Figure 6-10.

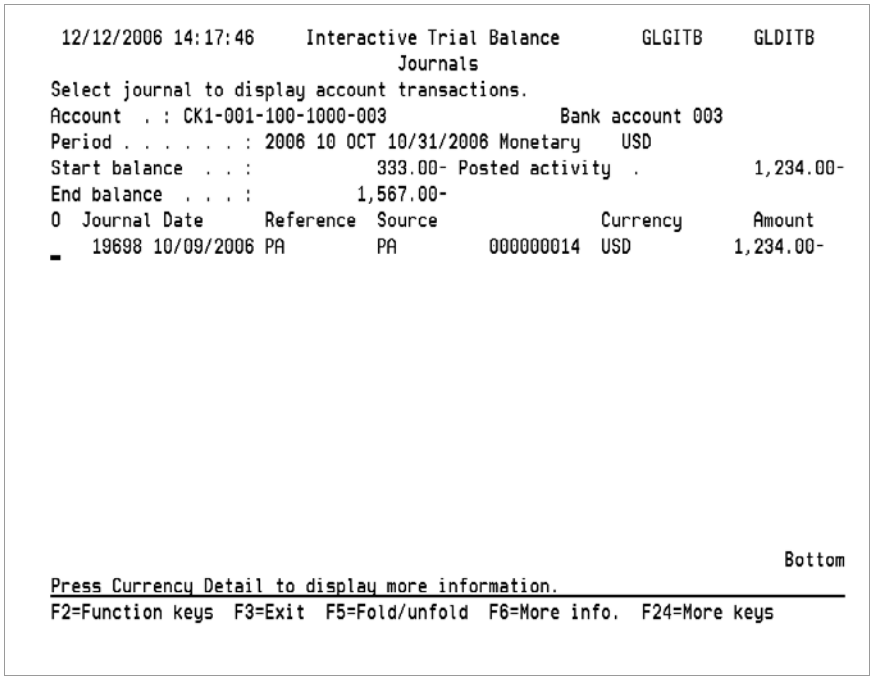


Figure 6-10: Interactive Trial Balance Journals list screen

This screen displays all of the posted journals for the account and period that you selected at the preceding screens.

If your user security specifies yes in the *Allow debit/credit?* field in the *Work with user security controls* settings, the system displays the *D/C* column next to the *Amount* column.

You have the following options on this screen:

- Select a journal with **5** and press Enter to display account transactions.
- Press F5 (Fold/unfold) to view numeric user field information.
- Press F6 (More information) to display additional information such as the accounting year and period.
- Press F11 (Currency detail) to view additional currency details for the displayed journals as in the previous Month-to-Date example.

7 Type **5** and press Enter. The system displays a screen similar to Figure 6-11.

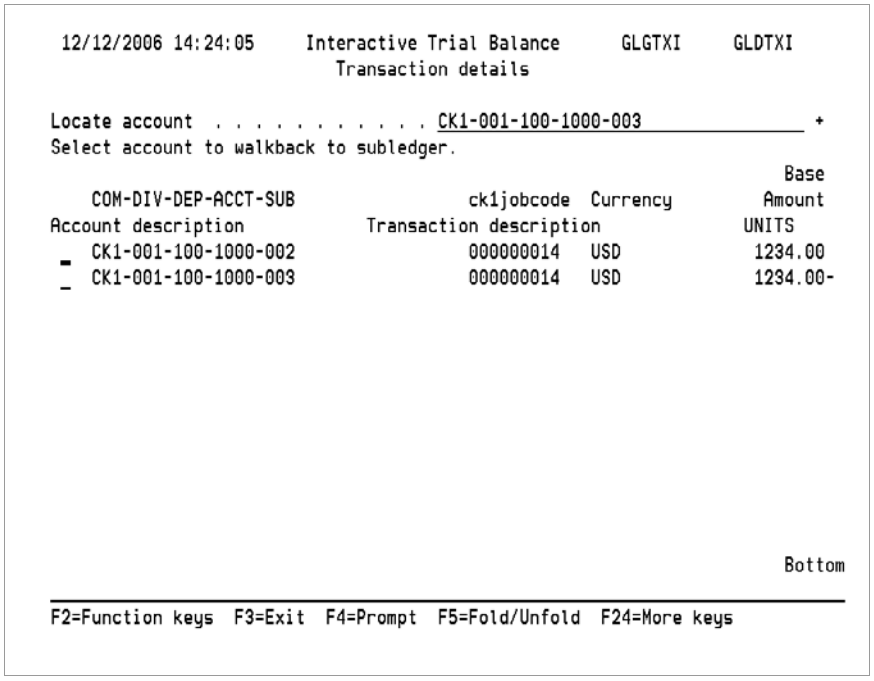


Figure 6-11: Interactive Trial Balance Transaction details screen

This screen displays transactions included in the selected journal.

If your user security specifies yes in the *Allow debit/credit?* field in the *Work with user security controls* settings, the system displays the *D/C* column next to the *Amount* column.

You have the following options on this screen:

- Select a transaction and then type **5** and press Enter to view more information from the subledger if you transferred the journal entry from an Infinium subledger such as the Infinium PL or Infinium AR system.
- Press F5 (Fold/unfold) to view the account description, transaction description and transaction user fields.
- Press F6 (Journal header) to display the journal header.
- Press F11 (Alternate view) to toggle between displaying the base currency amounts, secondary currency amounts, and processing currency amounts.

8 Press F6. The system displays a screen similar to Figure 6-12.

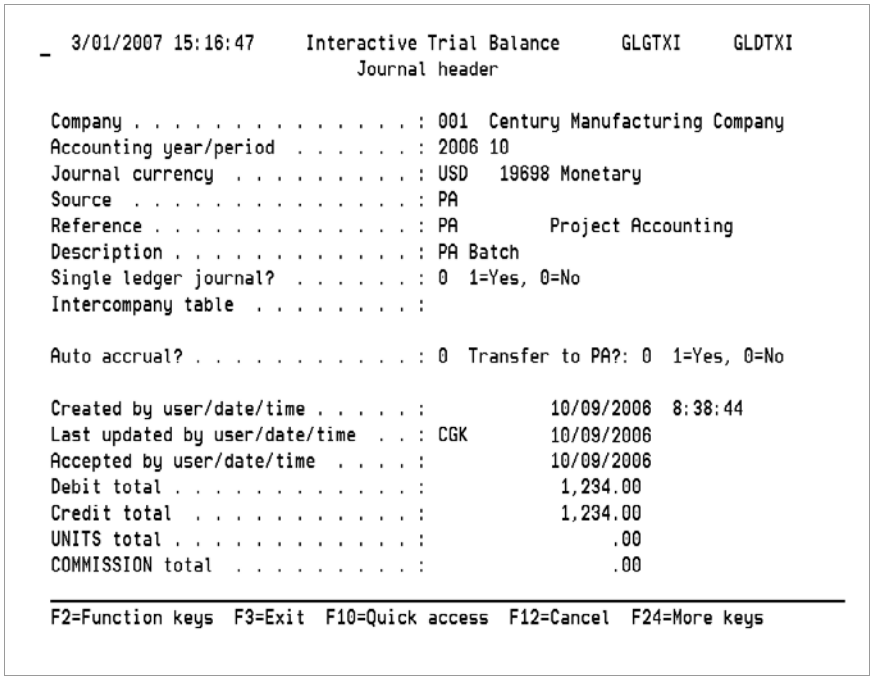


Figure 6-12: Interactive Trial Balance Journal header screen

9 Use the following information to interpret the currency fields on this screen:

Journal currency

The journal currency is the default processing currency for the journal.

Single ledger journal?

This field indicates whether this journal was posted as a single ledger journal.

If this journal is a single ledger journal entered in the company's base currency, the system did not convert the processing amounts to the secondary currency.

If this journal is a single ledger journal entered in the company's secondary currency, the system did not convert the processing amounts to the base currency.

If this journal is a single ledger journal entered in a foreign currency, the system converted the processing amounts to the base currency, but not the secondary currency.

Transcoded from journal

The system displays this field only if this journal was created through transcoding. The number that displays in this field is the journal number from which the system created this journal.

Transcoded to journal

The system displays this field only if this journal created a transcoded journal. The number that displays in this field is the journal number of the transcoded journal that was created from this journal.

10 Press Enter. The system returns you to the Interactive Trial Balance Transaction details screen.

11 Exit. The system returns you to the main menu.

Printing Reports

Infinium GL provides you with several standard reports and Query Interface reports that you can use to analyze your financial data in a particular currency. A listing of these reports and a brief description follows.

Refer to the *Infinium GL Guide to Processing and Reporting* for more information about the standard and Query Interface reports listed here.

Standard Reports Overview

Month-to-Date Trial Balance

This month-to-date report includes account balances that reflect all of the transactions that the system has accepted or posted to the general ledger.

Year-to-Date Trial Balance

This year-to-date report includes account balances that reflect only posted transactions to the general ledger.

Month-to-Date General Ledger

This month-to-date report includes all accepted or posted transactions as well as beginning and ending balances for the accounts that meet your selection criteria.

Year-to-Date General Ledger

This year-to-date report includes posted transactions and beginning and ending balances for the accounts that meet your selection criteria.

Selective Ledger

This report prints a partial general ledger based on your selection criteria.

Comparative Ledger

You can use this report to compare activity for accounts within a specified period, range of periods or entire years.

Job Costing Analysis

You can use this report to analyze account balances grouped by job code.

Query Interface Reports Overview

You can use the following Query Interface reports to analyze your financial data in a foreign currency, base currency or secondary currency:

Trial Balance

This report produces a month-to-date or year-to-date trial balance. You can enter selection criteria for the report.

General Ledger

This report lists general ledger activity for an account range or a masked account. You can submit the report for a single period or for a range of periods.

Job Cost Analysis

This report lists transactions by job code. You can submit this report for one job code, a masked job code, or for all job codes. The report lists all account transactions for the specified job code.

Budget Variance

This report prints the budget and actual amounts for a specified account number or for a masked account number. You have the option of printing only accounts with a specific variance amount or percentage.

Notes

Chapter 7 Revaluing Account Balances

7

This chapter contains information about establishing controls for account balance revaluation as well as the steps you perform to revalue account balances.

The chapter consists of the following topics:

Overview of Account Balance Revaluation

Revaluation determines the current base currency equivalent value of a foreign currency balance for foreign denominated accounts. The system uses the value in the *Current rate type* field on the company controls to revalue the year-to-date balance for accounts denominated in a foreign currency. The system uses the following formula to calculate the gain or loss when you revalue an account:

Gain or Loss =
(Foreign Balance x Revaluation Rate) - Base Currency Balance

You use the *Revalue account balances* option to create a revaluation journal and to print a revaluation report. You use the revaluation report to analyze the effects of any exchange rate changes on the foreign currency since you originally booked the transactions. The report lists revalued balances for each account as well as the gain or loss associated with each account.

The revaluation journal is a single ledger journal denominated in the base currency of the company. This journal contains accounts denominated in a foreign currency, foreign currency transactions with a zero processing currency amount, and a base currency gain or loss amount.

Objectives

After completing this chapter you should be familiar with how to:

- Set up revaluation controls
- Compare and contrast booking the gain and loss amounts in summary or detail
- Create a revaluation journal

In addition, you should understand how the system generates the revaluation journal entries.

Establishing Revaluation Controls

Overview

As discussed in the “Establishing Control Information” chapter in this guide, you define revaluation controls in the *Work with company controls* and *Work with chart of accounts* options.

Steps to Establish Company Revaluation Controls

To establish revaluation controls, perform the following steps:

1. From the main menu select *Control File Functions.*
2. Select *Companies.*
3. Select *Work with company controls* [WWCC].
4. Specify your company and press Enter.
5. Select the *Currency controls* attribute. Type **5** and press Enter. The system displays a screen similar to Figure 7-1.

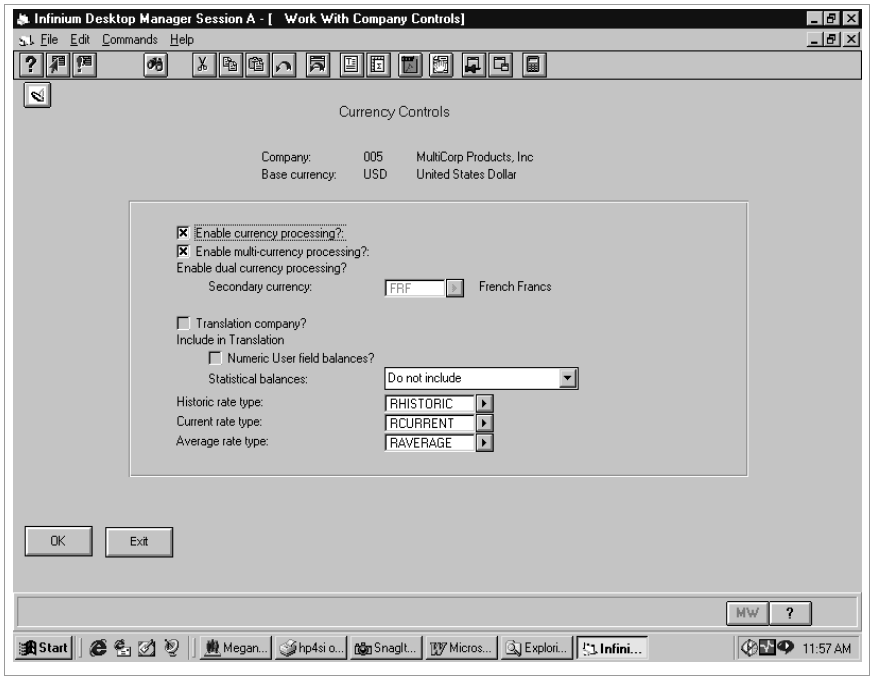


Figure 7-1: Work with Company Controls Currency Controls screen

Defining Company Currency Processing Controls for Revaluation

You set up rate types and enter exchange rates in the Infinium CM system. Infinium GL refers to the rate types you specify on this screen to determine which rate type it uses when retrieving rates from the Infinium CM system. Infinium GL uses these rate types when you revalue account balances.

6 Use the following information to complete the fields on this screen. The following fields pertain to revaluation:

Enable currency processing?

Specify yes in this field to enable currency processing for this company. You must enable currency processing in order to enable multi-currency processing.

Enable multi-currency processing?

You must enable multi-currency processing in order to revalue accounts.

Current rate type

The system uses the value in the *Current rate type* field to revalue foreign currency amounts when you run the *Revalue account balances* option.

7 Press Enter. The system displays a screen similar to Figure 7-2.

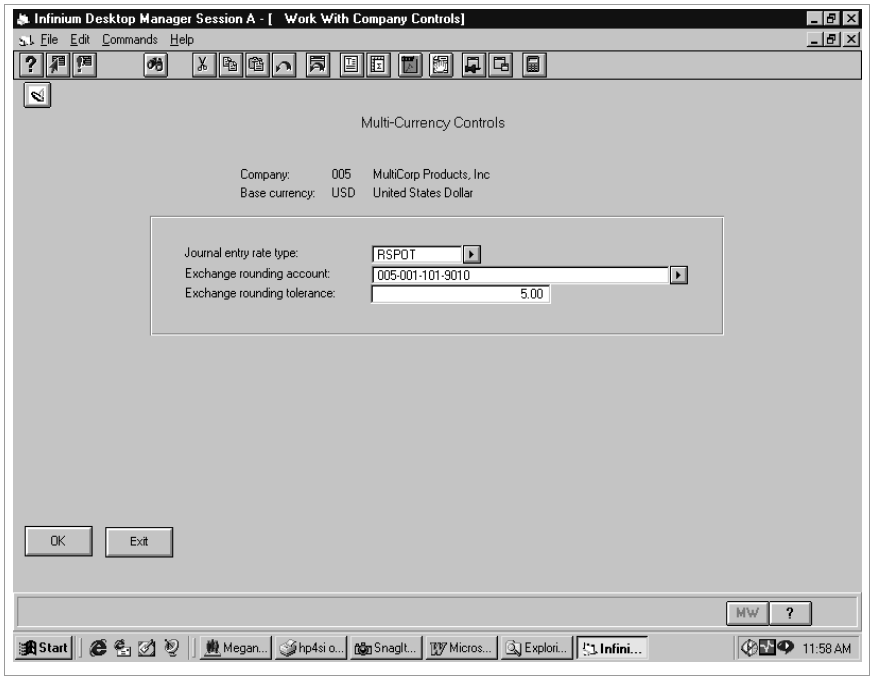


Figure 7-2: Work With Company Controls Multi-Currency Controls screen 1

None of the information on this screen pertains to revaluation.

8 Press Enter. The system displays a screen similar to Figure 7-3.

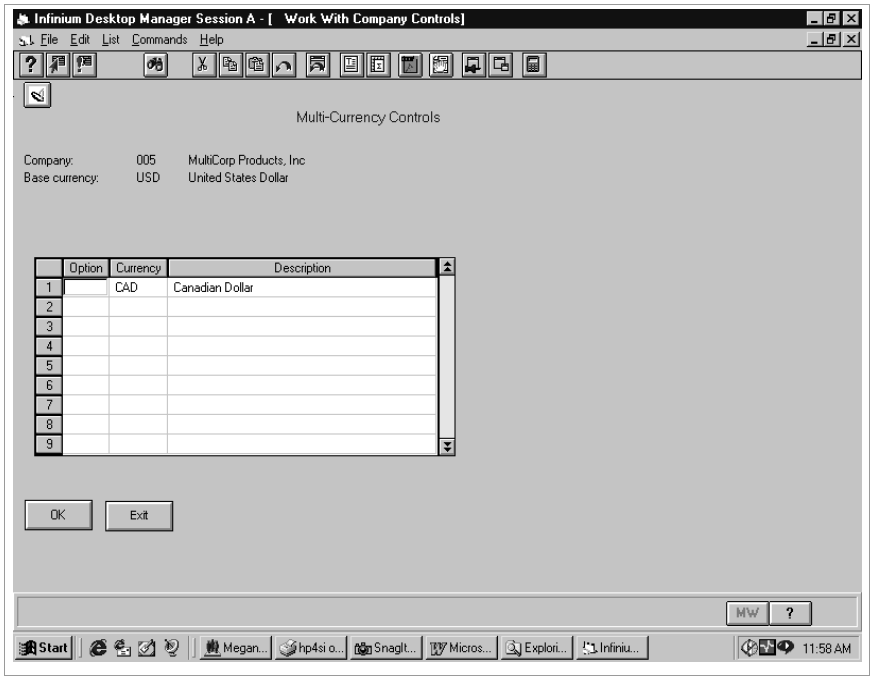


Figure 7-3: Work With Company Controls Multi-Currency Controls screen 2

Accessing Revaluation Controls

You have the following options on this screen:

- Press F6 to create revaluation controls. You create revaluation controls for each foreign currency you process in this company.
- Select a currency and then type **2** in the *Option* field to change existing revaluation controls.
- Select a currency and then type **3** in the *Option* field to copy revaluation controls.
- Select a currency and then type **4** in the *Option* field to delete existing revaluation controls.
- Select a currency and then type **5** in the *Option* field to display its existing revaluation controls.

9 Select a currency. Type **2** in the *Option* field and press Enter. The system displays a screen similar to Figure 7-4.

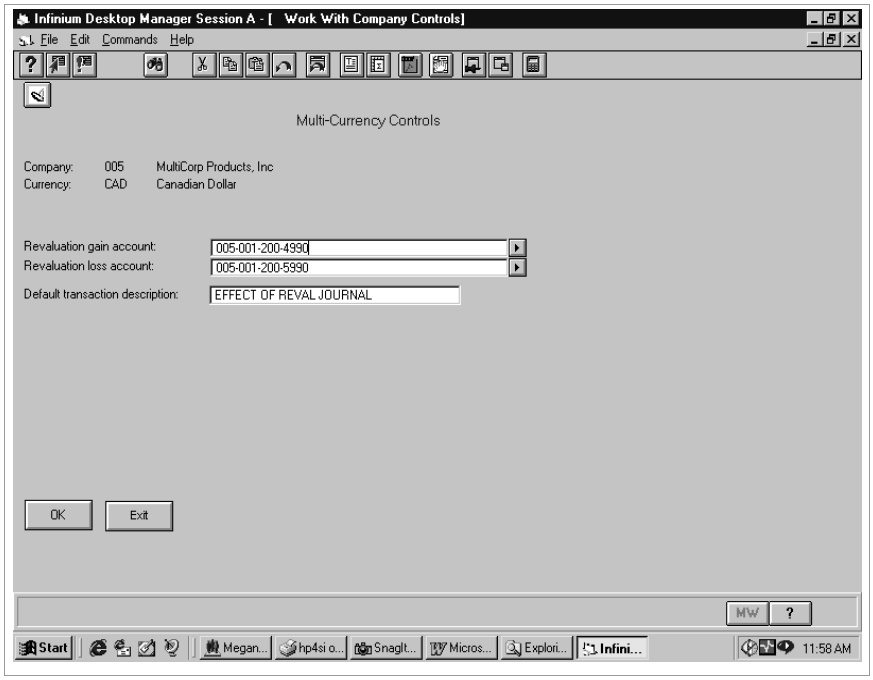


Figure 7-4: Work With Company Controls Multi-Currency Controls screen 3

The system also displays this screen when you press F6 on the second multi-currency controls screen, specify a currency in the Create Currency Controls window, and press Enter.

Defining Revaluation Detail Controls

You use this screen to specify a revaluation gain account, a revaluation loss account, and a revaluation gain/loss transaction description for each currency you revalue.

10 Use the following information to complete the fields on this screen:

Revaluation gain account *and* Revaluation loss account

Specify either a separate revaluation gain and loss account or use the same account for both the revaluation gain and loss accounts. The revaluation gain and revaluation loss accounts must be:

- Defined with an account use of **M** (monetary) or **B** (both monetary and statistical)
- Defined as active
- Belong to the company that you are maintaining
- Denominated in the base currency, or in the base or secondary currency if you enabled dual currency processing.

Default transaction description

The system uses the text you type in this field when it creates the gain or loss entry in the revaluation journal.

11 Press Enter. The system returns you to the second Work With Company Controls Multi-Currency Controls screen.

12 Press F5 to refresh the screen and view the new information.

13 Exit to return to the main menu.

Steps to Enable an Account to Be Revalued

You use the *Work with chart of accounts* option to define the account attributes that relate to multi-currency processing and dual currency processing. The account attributes include enabling the revaluation of an account.

Refer to the “Defining and Maintaining Your Chart of Accounts” chapter in the *Infinium GL Guide to Controls* for detailed base currency information on setting up your chart of accounts.

To enable the revaluation of an account, perform the following steps:

1 From the main menu select *Control File Functions*.

2 Select *Chart of Accounts*.

3 Select *Work with chart of accounts* [WWCOA]. The system displays a screen similar to Figure 7-5.

```
  3/01/2002 15:57:08    Work With Chart Of Accounts       GLGCTM     GLDCTM
Locate account . _____________________________________ +  Parent . __________ +
Account number . AD1-00-00-1100_____________________ +  Short name __________
Description  . . CAD CASH_____________________        Permit Intercompany? 1
Transcode acct . _____________________________________ +   Account use  . B + 1
Posting limits  DR _______________    Req Usr Field      Account type . A + 2
Posting limits  CR _______________    1 2 3 4 5 6 7   Permit budgets?  1   3
Statistical units  __________         0 0 0 0 0 0 0   Permit generics? 0   4
Restricted to journals __________ __________ __________ __________ Active? 1 5
Account user fields .  __________ + __________ + __________ + __________ +
Valid from year/period . ____ + __  Valid to year/period . ____ + __
Currency CAD + Translation method 0 Override rate type __________ + Revalue? 0
Op COM-DI-DE-ACCO                    Description                  1 2 3 4 5
__ AD1-00-00-1000                    CASH                         B A 1 0 1
_5 AD1-00-00-1100                    CAD CASH                     B A 1 0 1
__ AD1-00-00-1125                    GBP CASH                     B A 1 0 1
__ AD1-00-00-1150                    LRA CASH                     B A 1 0 1
__ AD1-00-00-1155                    IRP CASH                     B A 1 0 1
__ AD1-00-00-1160                    FRF CASH                     B A 1 0 1
__ AD1-00-00-1190                    INTERCOMPANY RECEIVABLE      M A 0 0 1
__ AD1-00-00-1200                    Equipment                    M A 0 0 +
Options,   3=Copy  33 33=Copy range  4=Delete  5=Work with  8=Currency
F2=Function keys  F3=Exit  F4=Prompt  F5=Clear  F24=More keys
```

Figure 7-5: Work With Chart Of Accounts screen

4 Select an account. Type **5** in the *Option* field and press Enter.

5 Define the revaluation attribute of the foreign denominated account by typing **1** in the *Revalue?* field. The system includes this account when you run the *Revalue account balances* option.

Only accounts denominated in a foreign currency maintain a foreign balance. You can only revalue these accounts.

6 Press Enter to update the account.

7 Exit to return to the main menu.

Revaluing Account Balances

Overview

You use the *Revalue account balances* option to create a revaluation report and the revaluation journal. The revaluation report shows the effect of exchange rate changes on the base currency balance of foreign denominated accounts. This report lists revalued balances for each account and the gain or loss associated with each account. You should check this report before you accept and post the revaluation journal.

During the revaluation process, you can also create a revaluation journal. The system uses the current rate type on the company controls to revalue the year-to-date balance for accounts denominated in a foreign currency. The program calculates the total gain and the total loss for each foreign currency.

The system calculates an exchange gain or loss for each account by doing the following:

- Multiplying the foreign currency balance amount by the current exchange rate
- Comparing that amount to the base currency amount to determine the net gain or loss

The system then creates a journal to book the gains or losses. The system posts the total gain and the total loss to the revaluation gain account and the revaluation loss account, respectively. In addition, the system posts the net change to the base currency balance of the account you are revaluing. The account balance is then current as of the current date. The revaluation journal contains foreign currency transactions with a zero processing currency amount and a base currency gain or a base currency loss amount.

Caution: Once the program creates the revaluation journal, you should post or delete it as soon as possible. A double posting can occur if you or another user creates and posts a subsequent revaluation journal before you post the first journal.

You accept and post the revaluation journals in the same manner as other journals. You have the option of posting the gain or loss entries in either summary or detail. If you use the summary option, the system totals the gains or losses for every account in which the value in the *Revalue?* field is **1**

(Yes). For each currency it revalues, the system posts an offsetting amount to the revaluation gain or loss account on the company controls.

If you use the *Work with mass journal entry* option to update the revaluation journal, the screen displays zeros. Press F15 to select the Services menu. Select the *Display currency distributions* option to see the journal amounts.

Steps to Revalue Account Balances

To revalue account balances, perform the following steps:

1 From the main menu select *Currency Processing*.

2 Select *Revalue account balances* [REVALUE]. The system displays a screen similar to Figure 7-6.

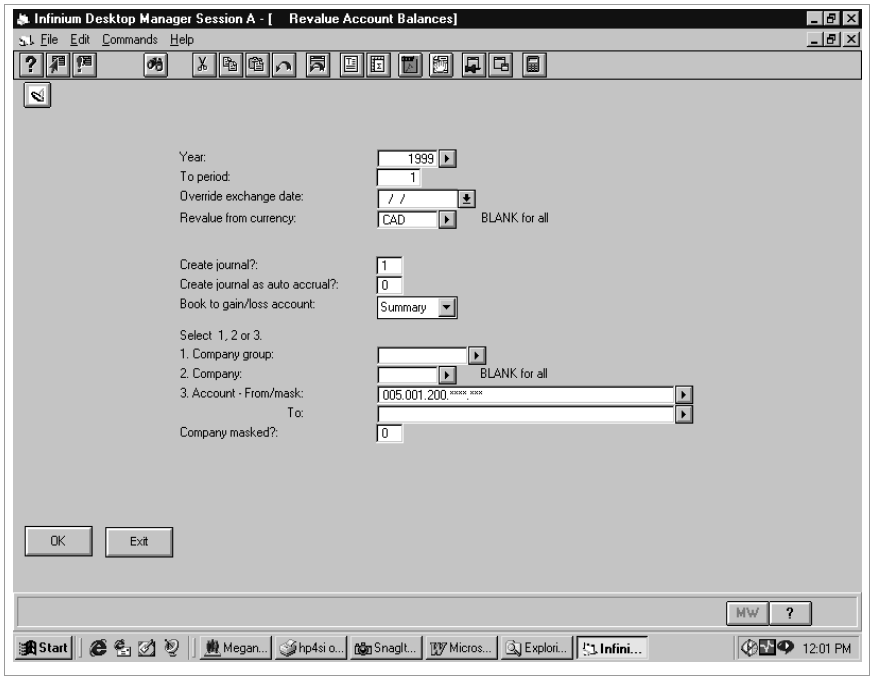


Figure 7-6: Revalue Account Balances screen

You use this screen to create a revaluation journal or print a revaluation report.

3 Use the following information to complete the fields on this screen:

Year

Specify the year for which the system should revalue balances. The system defaults the current year into this field. You can change this value.

To period

The system creates the revaluation journal using the year-to-date balances through this period.

Override exchange date

If you do not specify a date in this field, the system uses the ending date of the period in the *To period* field.

Revalue from currency

Specify the currency from which to revalue account balances. Leave this field blank to revalue account balances from all currencies.

Create journal?

If you type **0** in this field, the system generates a revaluation report only and does not create the revaluation journal. If you request a journal, you must type a value in the *Create journal as auto accrual?* and *Book to gain/loss account* fields.

Create journal as auto accrual?

If you type **1** in this field, the system generates the revaluation journal as an auto accrual journal. The system automatically reverses the revaluation journal in the next period.

Type **0** if the system should not reverse the revaluation journal in the next period.

Book to gain/loss account

If you specify *Summary* in this field, the system books the total gain amount for each currency to the revaluation gain or loss account for each currency specified on the company controls.

If you specify Detail in this field, the system books the gain or loss amount for each account to the revaluation gain or loss account for each currency. This results in one gain or loss entry for every account the system revalues.

Infinium GL allows only foreign accounts in a journal denominated in the same currency. You should not update it. Once you create the revaluation journal, you should post it or delete it as soon as possible.

Company group

To revalue foreign amounts or print the report for more than one company, you can use a company group identifier. Currency processing must be active for each of the companies in the group. If you specify a company group, you cannot specify a company or an account mask range.

Company

You can revalue foreign account balances for a specific company by typing that company's identifier in this field. If you specify a company, you cannot specify a company group or an account mask range.

Account From/mask *and* Account To/mask

You can revalue a range of foreign account balances by typing values in these masking fields. If you specify an account mask range, you cannot specify a company group or a company.

Company masked?

If you specify an account range mask and type **1** (Yes) in this field, the system selects matching accounts for all other companies with the same account structure as the company you specify in the mask.

4 Press Enter to submit the revaluation. The system returns you to the main menu.

Example of Revaluation

In this example of a revaluation at month end, the revaluation is between foreign currency balance accounts and base currency only. There is no effect on secondary currency.

The revaluation journal is a single ledger journal and usually includes monetary asset accounts like cash, accounts receivable, accounts payable.

The system uses the current exchange rate type to revalue foreign currency amounts.

You must run the *Revalue account balances* option before you run the *Remeasure account balances* option to put all accounts into the base currency at the current rate.

Date	Account	CAD	Exchange Rate	USD (Base)
5/3	005-001-200-1000	100.00 CAD	.85	85.00 USD
5/10	005-001-200-1000	700.00 CAD	.90	630.00 USD
5/30	005-001-200-1000	200.00 CAD	.85	170.00 USD
		1000.00 CAD		885.00 USD

In this example, the current exchange rate at month end is .92 when you revalue your accounts. You want to revalue the 1000.00 CAD to reflect this new exchange rate.

- The CAD balance times the new current exchange rate is:

  1000.00 USD x .92 = 920.00 USD

- The system compares the new current balance to the base currency balance:

  (920.00 USD - 885.00 USD = 35.00 USD)

- The following are the journal entries:

  005-001-200-1000 35.00 USD
  Revaluation Gain Account (35.00) USD

Notes

Chapter 8 Remeasuring Account Balances

8

This chapter contains information about establishing controls for remeasuring account balances as well as the steps that you perform to remeasure your base and secondary currency account balances.

The chapter consists of the following topics:

Overview of Remeasuring Account Balances

If you enable dual currency processing, the system converts posted transaction amounts to the base currency and secondary currency for each account as appropriate during the period. At the end of each period, you may use the exchange rate at the end of the period to require that the system remeasure balances for a subset of your chart of accounts. You remeasure account balances to determine the current value of a base currency account in terms of the secondary currency and to determine the current value of a secondary currency account in terms of the base currency.

Using the remeasurement method you specify for the account, the system remeasures account balances to record any exchange rate fluctuation since the time when you originally booked the transactions. The system calculates the total gain and the total loss for the currency you are remeasuring. The system then posts entries for the resulting gain or loss to the remeasurement gain loss accounts in each account's base currency balance or secondary currency balance as appropriate.

You use the *Remeasure account balances* option to create a remeasurement report and a remeasurement journal. You use the remeasurement report to analyze the effects of the remeasurement process before you create the journal. The report includes remeasured balances for each account as well as the gain or loss associated with each account. The remeasurement journal is a single ledger journal that updates only the base or secondary currency balance, not both.

Objectives

After completing this chapter you should be familiar with how to:

- Set up remeasurement controls
- Compare and contrast booking the gain and loss amounts in summary or detail
- Recognize the purpose of provision accounts in the remeasurement process
- Create a remeasurement journal

In addition, you should understand how the system generates the remeasurement journal entries.

Establishing Remeasurement Controls

Overview

As discussed in the “Establishing Control Information” chapter in this guide, you define remeasurement controls in the *Work with company controls* and *Work with chart of accounts* options.

Steps to Establish Company Remeasurement Controls

To establish remeasurement controls, perform the following steps:

1. From the main menu select *Control File Functions*.
2. Select *Companies*.
3. Select *Work with company controls* [WWCC].
4. Specify your company and press Enter.
5. Select the *Currency controls* attribute. Type **5** and press Enter. The system displays a screen similar to Figure 8-1.

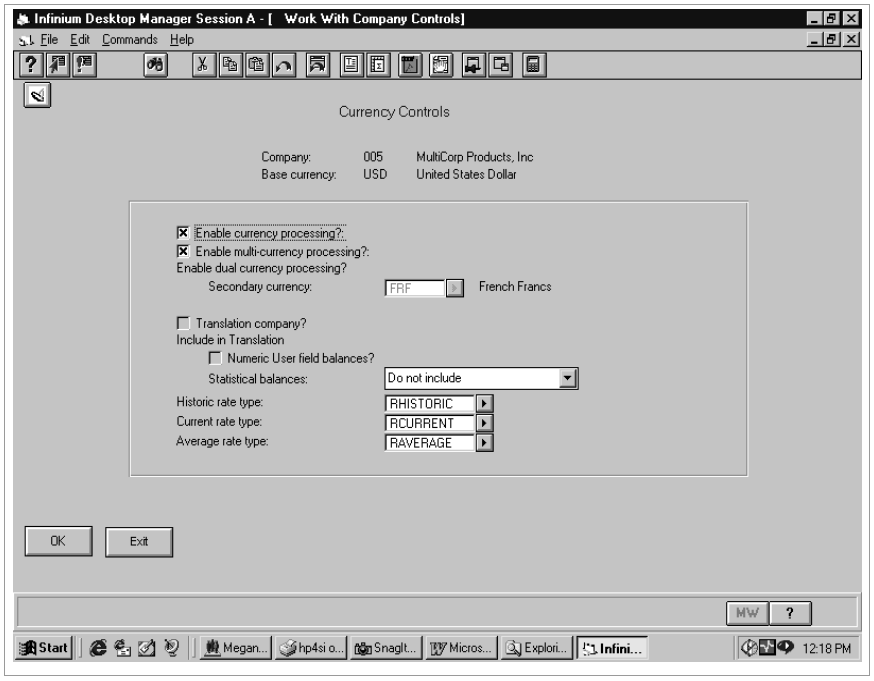


Figure 8-1: Work With Company Controls Currency Controls screen

Defining Company Currency Processing Controls for Remeasurement

You set up rate types and enter exchange rates in the Infinium Currency Management system. Infinium GL refers to the rate types you specify on this screen to determine which rate type to use when retrieving rates from the Infinium CM system. Infinium GL uses these rate types when you remeasure account balances.

6 Use the following information to complete the fields on this screen. These fields pertain to remeasurement.

Enable currency processing?

Specify yes in this field to enable currency processing for this company. You must enable currency processing in order to enable dual currency processing.

Enable multi-currency processing?

If you enable multi-currency processing and you require that the system revalue accounts, you should run the *Revalue account balances* option before you run the *Remeasure account balances* option. Performing revaluation before remeasurement ensures that you are remeasuring the most current base currency balance.

Secondary currency

Specify a valid currency in this field to enable dual currency processing for this company. You must enable dual currency processing in order to remeasure accounts.

Historic rate type

The system uses this rate type to remeasure accounts for which the remeasurement method is **1** (remeasurement of the account's month-to-date balance).

Current rate type

The system uses this rate type to remeasure accounts for which the remeasurement method is **2** (remeasurement of the account's year-to-date balance). In addition, if you do not specify a rate type when you run the *Revalue account balances* option, the system uses the current rate type to revalue foreign currency amounts.

Average rate type

The system uses this rate type to remeasure accounts for which the remeasurement method is **3** (remeasurement of the account's month-to-date balance).

The remeasurement method indicates the rate type the system uses during remeasurement. You specify the remeasurement method for each account in the *Work with chart of accounts* option.

7 Press Enter. If you enable multi-currency processing, the system displays the first Work With Company Controls Multi-Currency Controls screen. None of the information on the screen pertains to remeasurement.

8 Press Enter. The system displays the second Work With Company Controls Multi-Currency Controls screen. None of the information on the screen pertains to remeasurement.

9 Press Enter. The system displays a screen similar to Figure 8-2 when you specify a secondary currency on the Work With Company Controls Currency Controls screen for this company.

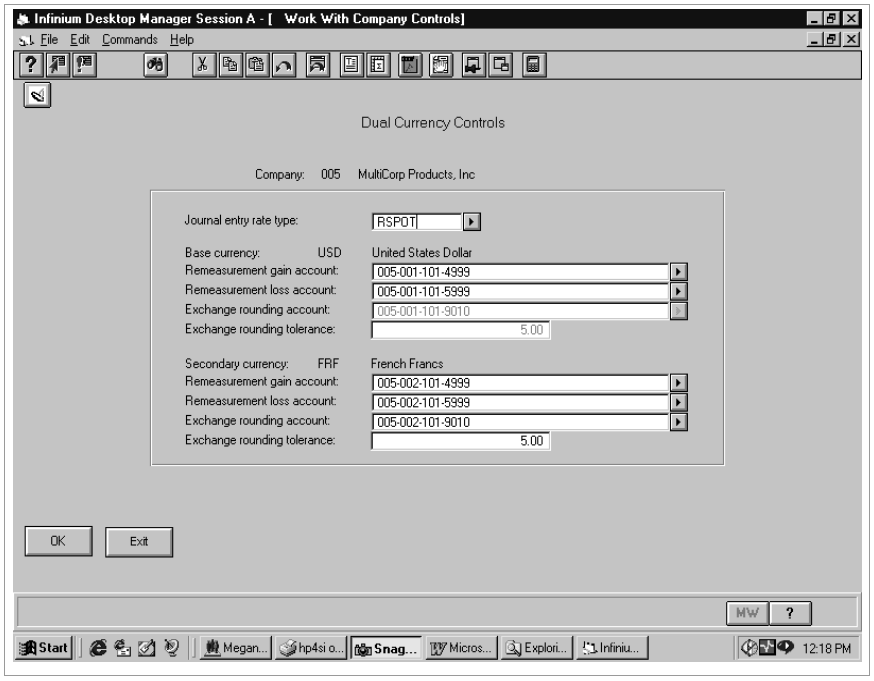


Figure 8-2: Work With Company Controls Dual Currency Controls screen

Defining Dual Currency Details for Remeasurement

You use this screen to specify the journal entry rate type for dual currency, the remeasurement gain and loss accounts, as well as the exchange rounding accounts and tolerances for the base currency and secondary currency.

10 Use the following information to identify the remeasurement accounts on this screen:

Remeasurement gain and loss accounts in base and secondary currencies

You can specify either a separate gain and loss account or use the same account for both the remeasurement gain loss accounts. The remeasurement gain and loss accounts must be:

- Defined with an account use of **M** (monetary) or **B** (both monetary and statistical)
- Defined as active
- Belong to the company that you are maintaining
- Denominated in the base currency (for the base currency section of the screen) or secondary currency (for the secondary currency section of the screen)

11 Press Enter. The system returns you to the Work With Company Controls selection screen.

12 Exit to return to the main menu.

Steps to Enable an Account to Be Remeasured

You use the *Work with chart of accounts* option to define the account attributes that relate to dual currency processing. The account attributes include enabling the remeasurement of an account's balances.

Refer to the "Defining and Maintaining Your Chart of Accounts" chapter in the *Infinium GL Guide to Controls* for detailed base currency information on setting up your chart of accounts.

To include an account when you run the *Remeasure account balances* option, perform the following steps:

1 From the main menu select *Control File Functions*.

2 Select *Chart of Accounts*.

3 Select *Work with chart of accounts* [WWCOA]. The system displays a screen similar to Figure 8-3.

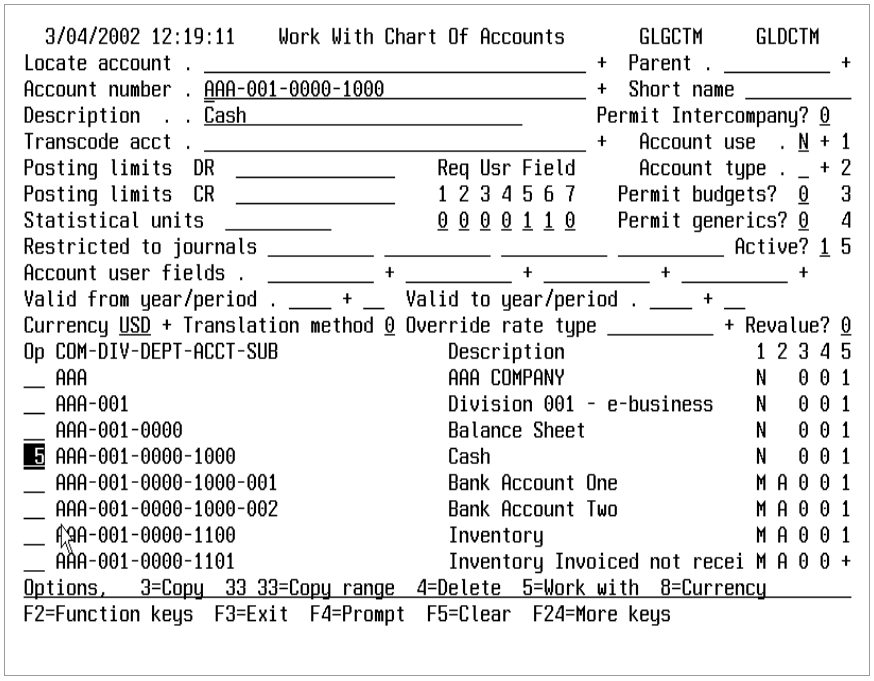


Figure 8-3: Work With Chart of Accounts screen

4 Define the attributes of the account and press Enter.

You can remeasure the secondary currency balance of accounts denominated in a foreign currency or in the base currency. You can remeasure the base currency balance of accounts denominated in the secondary currency.

Defining Remeasurement Account Attributes

If you have enabled dual currency processing and are creating or modifying an account, the system displays a window similar to Figure 8-4 where you define additional attributes.

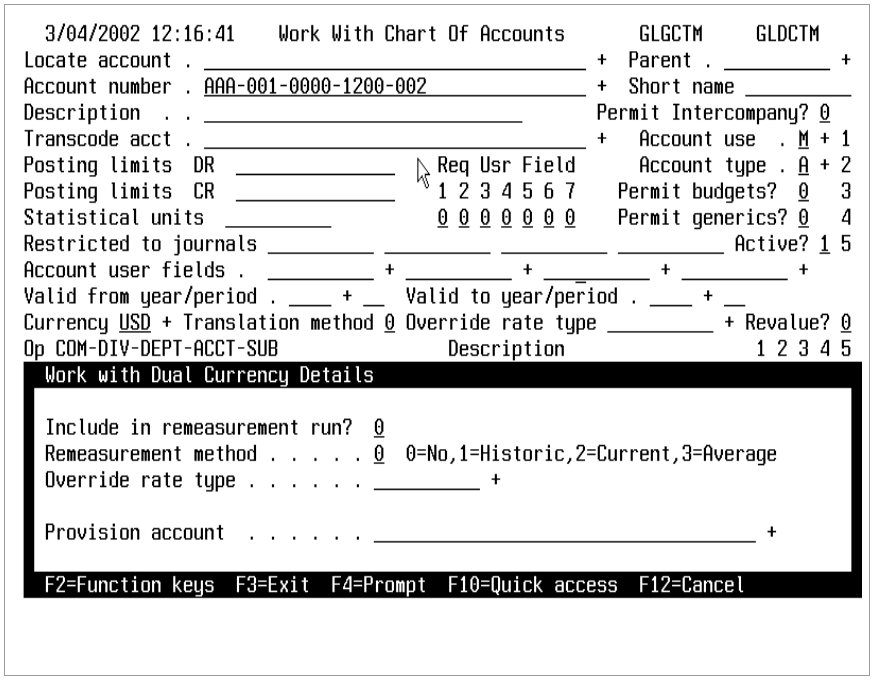


Figure 8-4: Work With Chart of Accounts Dual Currency Details window

The system also displays this window if you select an account, type **8** and press Enter and if you enabled dual currency processing for the company to which the account belongs.

5 Use the following information to complete the fields in this window:

Include in remeasurement run?

At the end of a period, you can use the latest exchange rates available to remeasure an account's balances. Type **1** in this field to include this account when you run the *Remeasure account balances* option.

Remeasurement method

When remeasuring this account, the system uses the value in this field to determine the following:

- The rate type to retrieve from the company controls
- The method of calculation

  You must specify either *Historic*, *Current*, or *Average* to include the account when you run the *Remeasure account balances* option.

  If you specify *Historic* or *Average* in this field, the system remeasures the account's month-to-date balance to determine the net gain or loss.

If you specify *Current* in this field, the system remeasures the account's year-to-date balance to determine the net gain or loss.

If you specify *No*, the system does not remeasure the account.

Override rate type

To use a different rate type for remeasurement other than one of the rate types on the company controls, specify the rate type in this field. The rate type must be a valid rate type in the Infinium CM system.

Provision account

When the system remeasures an account, it posts the net gain or net loss to the account you specify in this field. You can use an account only once as a provision account.

If you leave this field blank, the system posts the net gain or net loss to the account being remeasured.

The provision account must be:

- In the same company as the account in which you are working
- Defined with an account use of **M** (monetary) or **B** (both monetary and statistical)
- Active
- Denominated in its company's base currency or secondary currency
- Defined with **0** as the value in the *Include in remeasurement run?* field

6 Press Enter to update the account.

7 Exit to return to the main menu.

Remeasuring Account Balances

Overview

You use the *Remeasure account balances* option to create a remeasurement report and a remeasurement journal. You can remeasure the following:

- Base currency balances only
- Secondary currency balances only
- Base currency balances and secondary currency balances

During the remeasurement process Infinium GL enables you to create a remeasurement journal. The system uses the remeasurement method specified for the account to remeasure accounts denominated in the company's base currency or secondary currency as appropriate.

The system calculates an exchange gain or loss for each account included in the remeasurement process by doing the following:

- Multiplying the base currency (or secondary currency) balance by the exchange rate
- Comparing that amount to the base currency (or secondary currency) amount to determine the net gain or loss

If you specified a provision account for the account you are remeasuring, the system creates an entry using that provision account. Otherwise, the system creates an entry for the account you are remeasuring. The offset is the remeasurement gain or loss account.

You accept and post the remeasurement journals in the same manner as other journals. You have the option to post the gain or loss entries in summary or detail. If you use the summary option, the system totals the gains or losses for every account included in the remeasurement process. The system also posts an offsetting amount to the remeasurement gain loss account on the company controls.

If you enabled multi-currency processing and you require that the system revalues accounts, run the *Revalue account balances* option before you run the *Remeasure account balances* option. Performing revaluation before remeasurement ensures that you are remeasuring the most current base currency balance.

Caution: Once the program creates the remeasurement journal, you should post or delete it as soon as possible. A double posting can occur if you or another user creates and posts a subsequent remeasurement journal before you post the first journal.

Steps to Remeasure Account Balances

To remeasure account balances, perform the following steps:

1 From the main menu select *Currency Processing*.

2 Select *Remeasure account balances* [REMEASURE]. The system displays a screen similar to Figure 8-5.

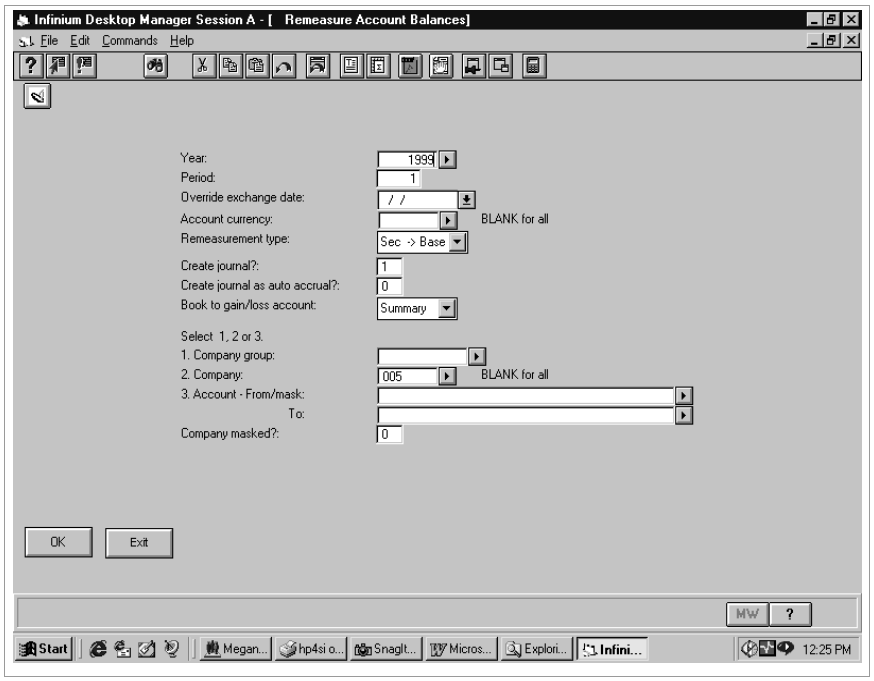


Figure 8-5: Remeasure Account Balances screen

You use this screen to create a remeasurement journal or print a remeasurement report.

3 Use the following information to complete the fields on this screen:

Year

Specify the year for which the system should remeasure your account balances. The system defaults the current year into this field. You can change this value.

Period

The system creates the remeasurement journal or the report for only the period you specify in this field.

Override exchange date

If you do not specify a date in this field, the system uses the ending date of the period you specify in the *Period* field.

Account currency

Specify a currency to remeasure the base or secondary currency balances for accounts denominated in only that currency.

Remeasurement type

Specify *Base -> Sec* in this field for the system to update your secondary currency balance. Specify *Sec -> Base* in this field for the system to update your base currency balance.

The table below illustrates which accounts and account balances the system selects to remeasure for the following combinations:

Submission value for *Account currency* field	Submission value for *Remeasurement type* field	System selects accounts denominated in this currency	System updates these balances for the selected accounts
Blank	**1** *Base -> Sec*	Base and Foreign	Secondary
Blank	**2** *Sec -> Base*	Secondary	Base
Base	**1** *Base -> Sec*	Base	Secondary
Secondary	**2** *Sec -> Base*	Secondary	Base
Foreign	**1** *Base -> Sec*	Foreign	Secondary
Foreign	**2** *Sec -> Base*	To maintain data integrity, the system does not select accounts or update balances.	
Base	**2** *Sec -> Base*	To maintain data integrity, the system does not select accounts or update balances.	
Secondary	**1** *Base -> Sec*	To maintain data integrity, the system does not select accounts or update balances.	

Create journal?

If you type **0**, the system generates a remeasurement report only and does not create the remeasurement journal.

Create journal as auto accrual?

If you type **1**, the system automatically reverses the remeasurement journal in the next period.

Book to gain/loss account

The system books the total gain or loss amount for each currency to the remeasurement gain or loss account if you specify *Summary* in this field.

The system books the gain or loss amount for each account to the remeasurement gain or loss account if you specify Detail.

Company group

To remeasure base or secondary currency amounts or print the report for more than one company, specify a company group identifier. Currency processing must be active for each of the companies in the group. If you specify a company group, you cannot specify a company or an account mask range.

Company

You can remeasure the base or secondary currency amounts or print the report for a specific company. If you specify a company, you cannot specify a company group or an account mask range.

Account From/mask and *Account To/mask*

You can remeasure a range of base or secondary account balances by typing values in these masking fields. If you specify an account range mask, you cannot specify a company group or a company.

Company masked?

If you specify an account range mask and you type **1** (Yes) in this field, the system selects matching accounts for all other companies with the same account structure as the company that you specify in the mask.

4 Press Enter to submit the remeasurement. The system returns you to the main menu.

Comparing Remeasurement and Translation

Even though you may choose to use dual currency/remeasurement to achieve transaction level translation, you must still set up the system to be compliant with accounting standards. The following table highlights the differences between remeasurement and translation according to accounting standards:

Remeasurement	Translation
Intended for use when the functional currency is not the local currency	Intended for use when the functional currency is the local currency
Remeasures from local to functional currency	Translates from functional to reporting currency
FAS8 as declared by FAS52	FAS52
Temporal method	Current rate method
Adjustment goes to Profit and Loss Statement	Adjustment goes to the Balance Sheet

The exchange rate type that you use to restate the balances differs by account type for remeasurement and translation. To ensure compliance, you specify the method at the account level.

Account Type	Rate of Exchange
Asset and Liability Accounts	Current rate as of the Balance Sheet date
Revenue and Expense Accounts	Weighted average rate for the period
Equity Account	Historical rate as of the issue or acquisition date

Example of Remeasurement

Infinium GL enables you to recalculate the secondary currency to the base currency or the base currency to the secondary currency to reflect the current rate. The currency in which you denominate the account determines the way in which the system performs the remeasurement. You can use a provisional account or you can book back to the original account.

In this example 005-001-000-1000 is a USD denominated cash account. The company uses a New York bank. We remeasure the base currency (USD) of this account into the secondary currency (FRF) to reflect the current exchange rate.

Date	Account	USD	Exchange Rate	FRF (Base)
5/3	005-001-000-100	100.00 USD	5.0	500.00 FRF
5/4	005-001-000-100	75.00 USD	5.5	412.50 FRF
5/30	005-001-000-100	25.00 USD	6.0	150.00 FRF
		200.00 USD		1062.50 FRF

In this example the current exchange rate on 5/31 is 5.75 when you remeasure your account balances.

- The USD currency balance times the current exchange rate is:

  200.00 USD x 5.75 = 1150.00 FRF

- The system compares the account's secondary balance of 1062.50 FRF to the new secondary balance, 1150.00 FRF, that reflects the current exchange rate:

  1150.00 FRF - 1062.50 FRF = (87.50) FRF

- The following are the journal entries:

005-001-000-1000	(N. Y. Bank Account)	87.50 FRF
005-001-000-5999	(Remeasurement Gain Account)	(87.50) FRF
	or	
005-001-000-1001	(Provisional Account)	87.50 FRF
005-001-000-5999	(Gain Account)	(87.50) FRF

Chapter 9 Translating Account Balances

9

This chapter contains information about establishing companies for translation and creating translation sets. This chapter also contains the steps that you perform to translate account balances.

The chapter consists of the following topics:

Overview of Translating Account Balances

As discussed in the “Establishing Control Information” chapter in this guide, you define controls in the *Work with company controls* and *Work with chart of accounts* options that the system requires to translate account balances. In addition, you use the *Work with translation sets* option to group translation pairs.

You use the *Translate account balances* option to translate base and/or secondary account balances from a GL company to one or more reporting currencies at period end. You translate a set of accounts prepared in one currency (for example, the local currency) into another currency (for example, the currency in which the company reports).

How Translation Works

The system performs translation between the accounts of a base company and a corresponding translation company.

Base and Translation Companies

Infinium GL generates account balances denominated in your reporting currencies by using translation companies. For example, the base company may have a currency that is the same as the local currency of the company. The translation company may have a currency that is the same as that in which the company reports.

The translation company is a company in which the system stores the translated balances denominated in one or more of your reporting currencies. The translation company is identical to the base company (account structure, periods, component lengths and so on), but you change the company component of the account template to identify the translation company. The base currency of the translation company represents the currency into which you translate.

Translation Pair

Once you set up the translation company, you must establish a link between the base company and the translation company. You use a translation pair to link these two companies. A translation pair consists of a base company and

its associated translation company. You define translation pairs within translation sets.

Translation Set

A translation set is a group of one or more translation pairs. You use a translation set to group and submit one or more translation pairs for account balance translation. You can perform the translation process for several translation pairs at the same time by specifying those pairs in the same translation set.

Translation Calculations

The two calculations used in account balance translation are period-by-period and year-to-date calculations.

Period-by-Period

The system multiplies the base currency movement for a period by the exchange rate for that period.

Year-to-Date

The system multiplies the year-to-date base currency balance for a period by the exchange rate for that period to arrive at the year-to-date translated balance. The system then subtracts the beginning translated balance for the period from the year-to-date translated balance to arrive at the translated period movement.

Translation Methods

The following are the methods available for translating base company accounts:

- The historic method uses period-by-period calculation.
- The current method uses year-to-date calculation.
- The average method uses period-by-period calculation.

You specify one of these methods on the account record for each account that you translate. The system uses the rate type on the base company's

company controls to retrieve a rate from the Infinium CM system for the required period.

Overriding Translation Rate Types

You can override or replace each of the default rate types on the base company's company controls. You do this by specifying a different rate type in the *Override rate type* field on the account record.

Year End Process and Starting Balances

You must perform the year end process for the base company and for the translation company. The system does not translate period 14 balances.

The translation process does not translate starting balances since the system carries them forward when you perform year end processing on the translation company.

If the currency of an account in the base company is the same as the translation currency, the translation process does not translate the base currency balance. Instead, it simply copies the foreign balance. This ensures that slight inconsistencies do not arise between the original foreign amount and the translated amount.

Example

The Multicorp Products company uses translation functionality to translate account balances from its US division (Company 005) to a translation company. The translation company (Company 006) has translated balances in GBP. The screen prints used in this section illustrate this scenario.

Objectives

After completing this chapter you should be familiar with how to:

- Establish the proper translation controls for a GL company
- Establish controls for a translation company
- Create a translation set
- Translate account balances from a base currency and/or secondary currency to one or more reporting currencies

In addition, you should understand the process that the system uses to generate balances for your reporting currencies.

Setting up GL and Translation Companies

Overview

Before you begin this task, ensure that you have enabled currency processing in the system.

You create a translation company in the same way you create your GL company. The translation company must be identical to the GL company with the following exceptions:

- The base currency or secondary currency for the translation company is the reporting currency of the GL company.
- You specify yes in the *Translation company?* field on the company controls.

You must complete the following steps to set up a GL company and a translation company:

- Establish currency controls for the GL company
- Establish currency controls for the GL company accounts
- Create the translation company
- Create accounts for the translation company

Steps to Establish Translation Company Controls for the GL Company

To establish company controls for the GL company, perform the following steps:

1. From the main menu select *Control File Functions*.
2. Select *Companies*.
3. Select *Work with company controls* [WWCC].
4. Specify a company and press Enter.

5 Select the *Currency controls* attribute. Type **5** and press Enter. The system displays a screen similar to Figure 9-1.

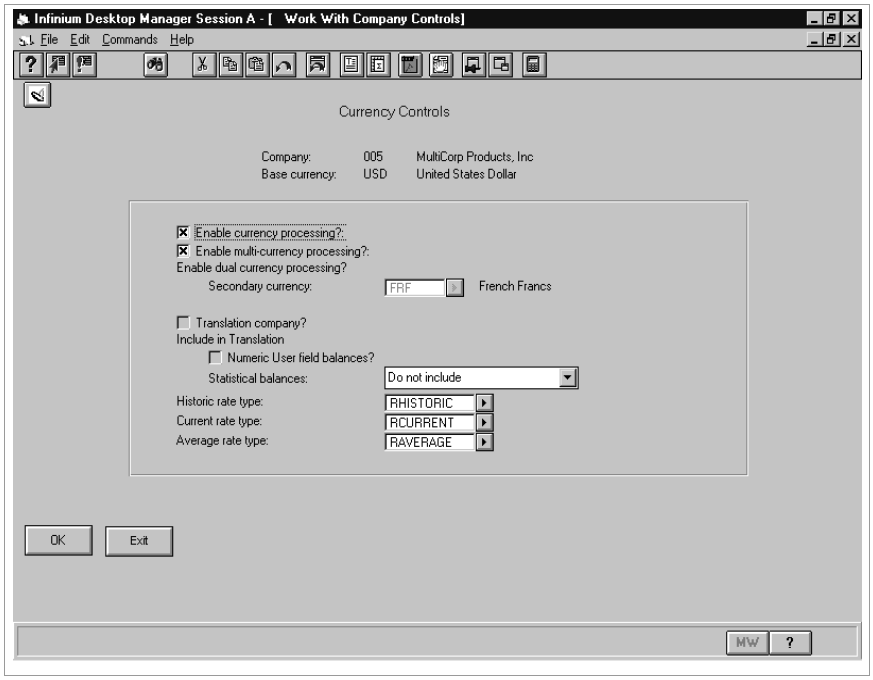


Figure 9-1: Work With Company Controls Currency Controls screen

Defining Company Currency Processing Details for Translation

You set up rate types and enter exchange rates in the Infinium CM system. Infinium GL refers to the rate types you specify on this screen to determine which rate type it uses when retrieving rates from the Infinium CM system. Infinium GL uses these rate types when you translate account balances.

6 Use the following information to complete the fields on this screen. These fields pertain to translation.

Translation company?

Specify no in this field to identify that this is a GL company and not a translation company.

Numeric User field balances

Specify yes in this field to transfer numeric transaction user field balances from this company to the translation company when you run the *Translate account balances* option.

You must use this company as a from company in a translation set. The next topic in this chapter provides more information about translation sets.

The system ignores numeric transaction user field balances when you specify no in this field.

Statistical balances

Specify *Account Use value of Both only* in this field to transfer statistical transaction balances only from those accounts with an account use of **B** (both monetary and statistical) when you run the *Translate account balances* option.

Specify *All Statistical Balances* in this field to transfer statistical transaction balances for all accounts, including accounts with an account use of **S** (statistical), when you run the *Translate account balances* option.

The system ignores statistical transaction balances when you specify *Do not include* in this field.

Note: The system transfers numeric user field balances and statistical balances to the translation company. The system does not convert balances by exchange rates.

Historic rate type

The system uses this rate type to translate accounts defined with a translation method of *Historic*.

Current rate type

The system uses this rate type to translate accounts defined with a translation method of *Current*.

Average rate type

The system uses this rate type to translate accounts defined with a translation method of *Average*.

Note: To override the default translation rate types you specify on this screen, use the *Override rate type* field in the *Work with chart of accounts* option.

The translation method indicates the rate type the system uses during translation. In the *Work with chart of accounts* option you specify the translation method for each account.

7 Press Enter to update the company.

8 Exit to return to the main menu.

Steps to Establish Translation Controls for GL Company Accounts

Refer to the “Defining and Maintaining Your Chart of Accounts” chapter in the *Infinium General Ledger Guide to Controls* for detailed non-currency information on setting up your chart of accounts.

To establish controls for GL company accounts, perform the following steps:

1 From the main menu select *Control File Functions*.

2 Select *Chart of Accounts.*

3 Select *Work with chart of accounts* [WWCOA]. The system displays a screen similar to Figure 9-2.

```
  3/04/2002 13:25:32    Work With Chart Of Accounts       GLGCTM     GLDCTM
Locate account . _____________________________________ +  Parent . __________ +
Account number . AAA-001-0000-1000-001________________ +  Short name __________
Description  . . Bank Account One_____________        Permit Intercompany? 0
Transcode acct . _____________________________________ +   Account use  . M + 1
Posting limits  DR _______________    Req Usr Field      Account type . A + 2
Posting limits  CR _______________    1 2 3 4 5 6 7   Permit budgets?  0   3
Statistical units __________          0 0 0 0 1 1 0   Permit generics? 0   4
Restricted to journals __________ __________ __________ __________ Active? 1 5
Account user fields .  __________ + __________ + __________ + __________ +
Valid from year/period . ____ + __  Valid to year/period . ____ + __
Currency USD + Translation method 2 Override rate type __________ + Revalue? 0
Op COM-DIV-DEPT-ACCT-SUB               Description                  1 2 3 4 5
__ AAA                                 AAA COMPANY                  N   0 0 1
__ AAA-001                             Division 001 - e-business    N   0 0 1
__ AAA-001-0000                        Balance Sheet                N   0 0 1
__ AAA-001-0000-1000                   Cash                         N   0 0 1
5_ AAA-001-0000-1000-001               Bank Account One             M A 0 0 1
__ AAA-001-0000-1000-002               Bank Account Two             M A 0 0 1
__ AAA-001-0000-1100                   Inventory                    M A 0 0 1
__ AAA-001-0000-1101                   Inventory Invoiced not recei M A 0 0 +
Options,   3=Copy  33 33=Copy range  4=Delete  5=Work with  8=Currency      _
F2=Function keys  F3=Exit  F4=Prompt  F5=Clear  F24=More keys
```

Figure 9-2: Work With Chart Of Accounts screen

4 Use the following information to complete the fields on this screen that pertain to translation:

Translation method

Identify the translation method for the account. The *Translate account balances* option uses this method to translate this account, using the corresponding rate type from company controls, unless you define an override rate type here.

Valid values for this field are:

0 The system excludes this account from translation processing.

1 The system uses the historic rate type specified on the company controls to translate account balances.

2 The system uses the current rate type specified on the company controls to translate account balances.

3 The system uses the average rate type specified on the company controls to translate account balances.

Override rate type

To use a different rate type for translation other than one of the rate types you specified in the *Work with company controls* option, specify that rate type in this field. The rate type must be a valid Infinium CM rate type.

Refer to the “Defining Accounts” topic in the “Establishing Control Information” chapter of this guide for information about the other fields on this screen.

5 Press Enter to update the account.

6 Exit to return to the main menu.

Steps to Create the Translation Company

To create the translation company, perform the following steps:

1 From the main menu select *Control File Functions*.

2 Select *Companies*.

3 Select *Work with company controls* [WWCC]. The system displays a screen similar to Figure 9-3.

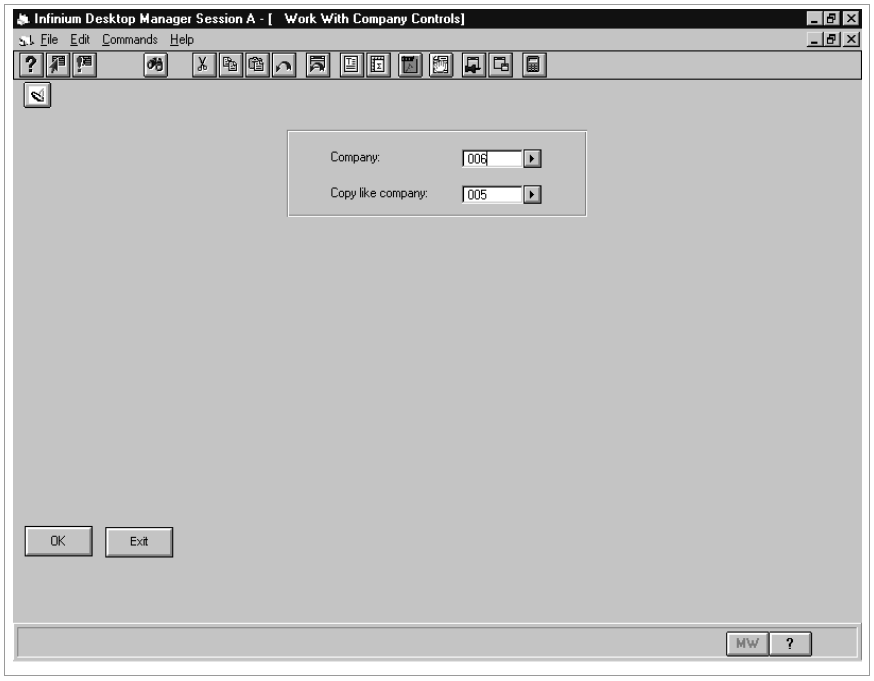


Figure 9-3: Work With Company Controls prompt screen

4 Use the following information to complete the fields on this screen:

Company

Type the company that you are defining as the translation company.

Copy like company

Type the GL company from which to translate balances.

5 Press Enter. The system displays the Work with Company Controls selection screen.

6 Select the *Base data* attribute. Type **5** and press Enter. The system displays a screen similar to Figure 9-4.

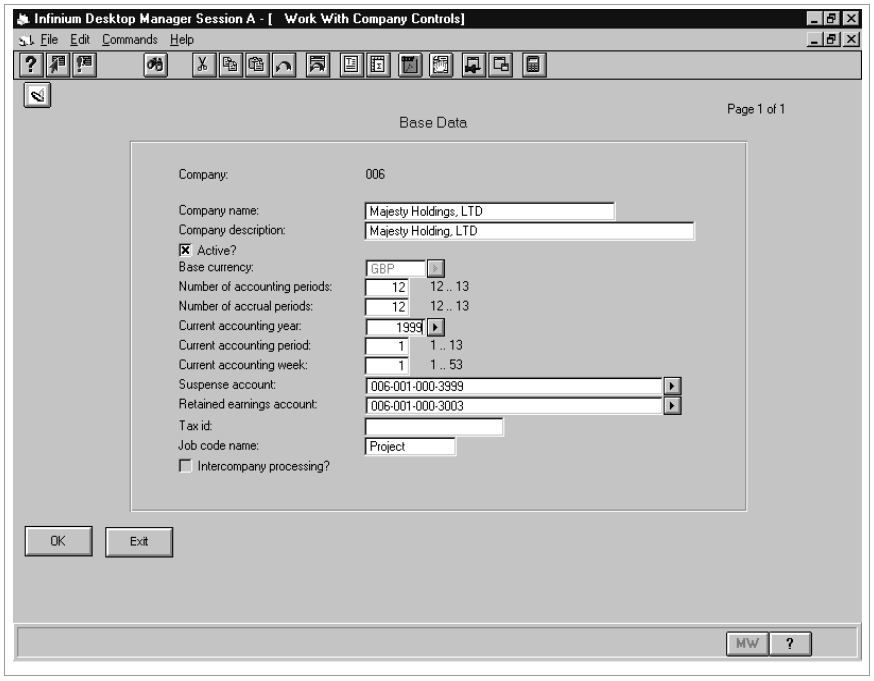


Figure 9-4: Work With Company Controls Base Data screen

7 Type the currency code for the reporting currency.

8 Press Enter. The system returns you to the Work with Company Controls selection screen.

9 Select the *Currency controls* attribute. Type **5** and press Enter. The system displays a screen similar to Figure 9-5.

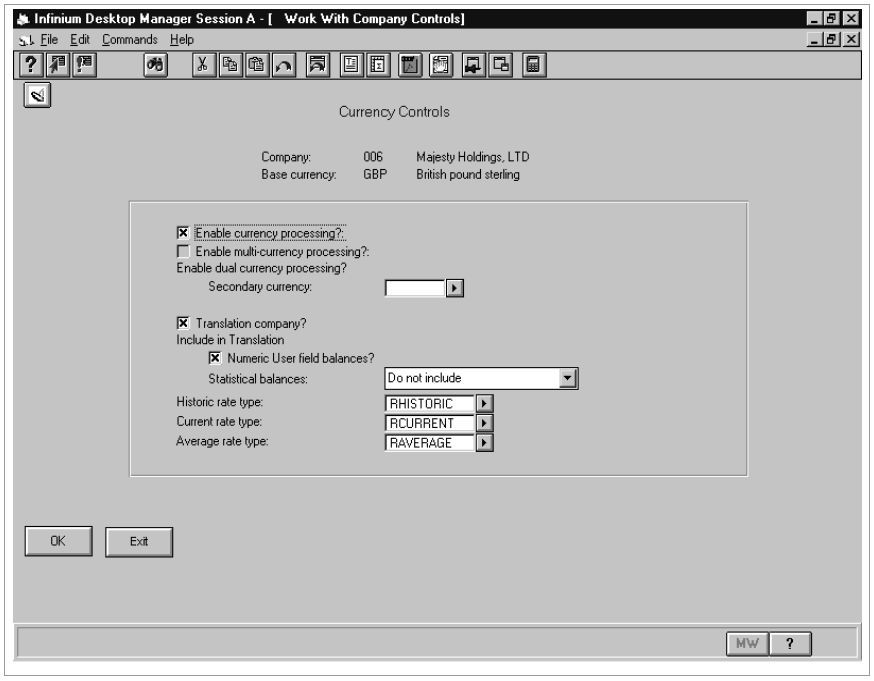


Figure 9-5: Work With Company Controls Currency Controls screen

10 Use the following information to complete the fields on this screen. These fields pertain to translation:

Base currency *and* secondary currency

You can do either of the following if you require more than one reporting currency:

- Disable dual currency processing for the translation company and create one translation company for every reporting currency in which to translate your balances. In this scenario you define one reporting currency per company using the *Base currency* field.
- Enable dual currency processing for the translation company and define two reporting currencies. In this scenario you define one reporting currency using the *Base currency* field and an additional reporting currency using the *Secondary currency* field within the translation company. In addition, you can use this scenario to translate from two GL companies.

  A GL company only translates to one currency within the translation company. There is no conversion between the base and secondary currency of the translation company.

Translation company?

Specify yes in this field to define this company as a translation company.

11 Press Enter to update the company.

12 Exit to return to the main menu.

Steps to Create Translation Company Accounts

To create translation company accounts, perform the following steps:

1 From the main menu select *Control File Functions*.

2 Select *Chart of Accounts*.

3 Select *Mass add chart of accounts* [MACOA]. The system displays a screen similar to Figure 9-6.

```
  2/27/2007 14:49:25     Mass Add Chart Of Accounts      GLGCTMAP   GLDCTMAP

                                                                  Page 1 of 1
Add account number/mask . . 006-***-***-****                      +
Restrict to company group . _____ +          Trial add?     1
Restricted to acct/mask . . 005-***-***-****                      +
Copy transcode account? . . 0                Parent account *SAME      +
Account description/mask  . ____________________
Posting limits - Debit  . . *SAME_____     Statistical units *SAME
                 Credit . . *SAME_____          N-A-L-I-E  *SAME      +
Permit intercompany?  . . . *                 ACCOUNT 2  *SAME      +
Account use . . . . . . . . * +               Account 3  *SAME      +
Account type  . . . . . . . * +               F/SMAPPING *SAME      +
Permit budgets? . . . . . . *   Project required? *
Permit generics?  . . . . . *   Default project   *SAME    +
Active? . . . . . . . . . . *   Default activity  *SAME              +
Restricted to journals  . . *SAME___ *SAME___ *SAME___ *SAME___
Valid from year/period  . . *___ *__                      1 2 3 4 5 6 7
Valid to year/period  . . . *___ *__          Req usr field * * * * * * *
Currency code . . . . . . . GBP +             Translation method  . . . *
Override rate type. . . . . *SAME___ +        Revalue?. . . . . . . . . *
Enter new attributes for Mass Add,then press Enter to submit...
F2=Function keys  F3=Exit  F4=Prompt  F10=Quick access  F24=More keys
```

Figure 9-6: Mass Add Chart Of Accounts screen

You use this screen to create accounts based on existing accounts in your chart of accounts.

4 Copy all accounts from your GL company to the translation company. In this example you type the following to copy all accounts from Company 005 to Company 006:

- Type **006-***-***-****-*** in the *Add account number/mask* field.
- Type **005-***-***-****-*** in the *Restricted to Acct/Mask* field.

Note: As you add new accounts to the GL company, the system automatically adds the same accounts to the translation company when you run the *Translate account balances* option.

5 Create a translation adjustment account. In the translation company you must do this in addition to copying all accounts from the GL company.

The system uses the translation adjustment account to balance the translated books when you perform a translation. When you create this account, you must define it as active and the value in the *Account use* field must be either **M** (monetary) or **B** (both monetary and statistical).

6 Press Enter to create or update the accounts.

7 Exit to return to the main menu.

Your Next Step

After you have created the proper controls for both the GL company and the translation company, you must define a translation set.

Creating Translation Sets

Overview

You must define a translation set, which is a group of one or more translation pairs, after you create the proper controls for both the GL company and the translation company. You can perform the translation process for several translation pairs at the same time by specifying those pairs in the same translation set.

Steps to Create Translation Sets

To create translation sets, perform the following steps:

1. From the main menu select *Currency Processing*.
2. Select *Translation Processing*.
3. Select *Work with translation sets* [WWTS]. The system displays a screen similar to Figure 9-7.

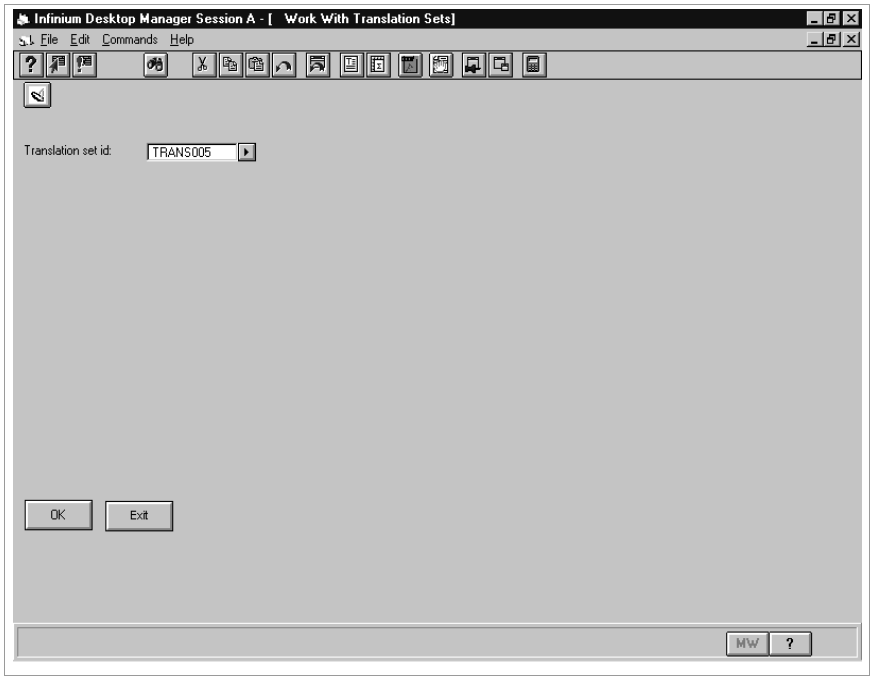


Figure 9-7: Work With Translation Sets prompt screen

4 Type the identifier of the translation set you are creating or modifying.

5 Press Enter. The system displays a screen similar to Figure 9-8.

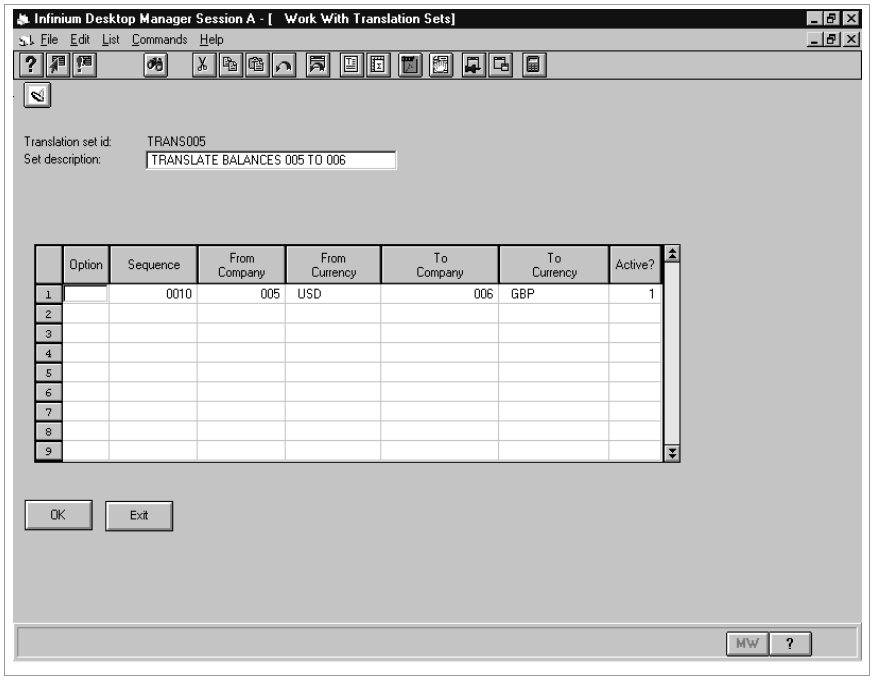


Figure 9-8: Work With Translation Sets sequence selection screen

The system displays the sequences that exist within the translation set. You use this screen to work with an existing translation pair or to define a new translation pair within the set. You link the GL company's base or secondary currency to the translation company's base or secondary currency by defining the translation pair within a sequence.

6 Type a description of the set.

7 Press F6 to create a new sequence (a new translation pair for the set). The system displays a screen similar to Figure 9-9.

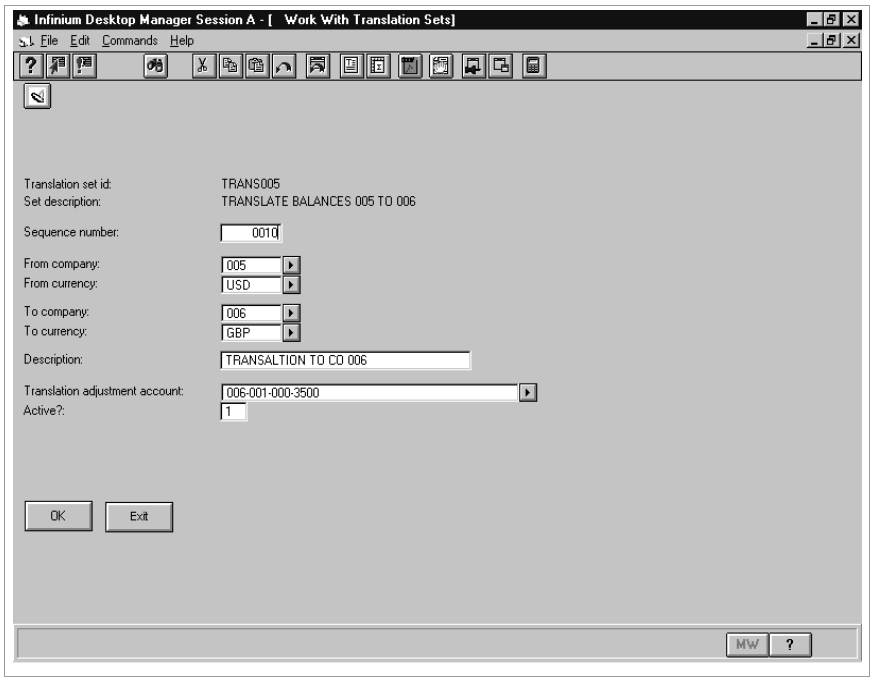


Figure 9-9: Work With Translation Sets sequence detail screen

The system also displays this screen when you select an existing sequence, type **5** and press Enter.

8 Use the following information to complete the fields on this screen:

To ensure the accurate translation of all desired accounts, the translated accounts associated with the *From company* and *To company* in the set must use the same break characters.

For example, if the *From company* accounts use hyphens as the break character as in 005-001-001-1111, the *To company* accounts must also use hyphens as the break character.

Sequence number

The sequence number controls the order in which the system processes this translation pair within the set. You can override the default value.

From company

Type the GL company from which to translate balances.

The definition of this company's current, average and historic rate types must exist and its accounts must have translation methods specified.

From currency

Type the base or secondary currency of the GL company you specified in the *From company* field.

To company

Type the translation company to which to translate balances. This company's accounts must correspond to the accounts of the company in the *From company* field.

To currency

Type the base or secondary currency of the translation company you specified in the *To company* field.

Description

Type up to 30 characters to describe this translation pair.

Translation adjustment account

Type the account the system uses to balance the translated set of books.

Note: When you create the translation adjustment account in the *Work with chart of accounts* option, you must define it as active. The value in the *Account use* field must be either **M** (monetary) or **B** (both monetary and statistical).

9 Press Enter to update the translation set. The system returns you to the Work With Translation Sets sequence selection screen.

10 Exit to return to the main menu.

Translating Account Balances

Overview

You use the *Translate account balances* option to translate balances at period end. Within this function you specify a translation set. Infinium GL translates the account balances to the reporting currency for the accounts you identify for translation in the *Work with chart of accounts* option.

When you run the *Translate account balances* option, the system directly updates the balances in the translation company. There are no journal entries involved in the process.

Steps to Translate Account Balances

To translate account balances, perform the following steps:

1. From the main menu select *Currency Processing*.
2. Select *Translation Processing*.
3. Select *Translate account balances* [TAB]. The system displays a screen similar to Figure 9-10.

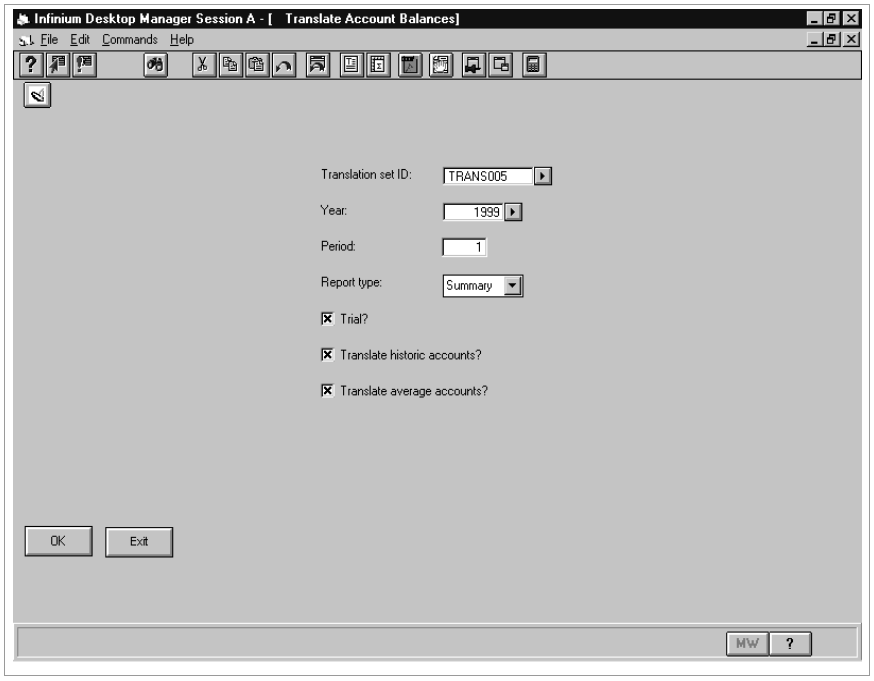


Figure 9-10: Translate Account Balances screen

You use this screen to submit a translation set for processing.

4 Use the following information to complete the fields on this screen:

Translation set ID

Identify the translation set you are translating.

Year

Specify the year for which the system should translate your account balances. The system defaults the current year into this field. You can change this value.

Period

Specify the period for which you are translating account balances.

Report type

Specify whether the report prints in detail or summary format. The summary report prints only the translated period. The detail report prints all periods in the year.

Trial?

Specify yes in this field to run a report without updating the balances in the translation company.

Translate historic accounts?, Translate average accounts?

Specify whether the system translates historic and average accounts.

5 Press Enter to submit the job. The system returns you to the main menu.

Comparing Translation and Remeasurement

Even though you may choose to use dual currency/remeasurement to achieve transaction level translation, you must still set up the system to be compliant with accounting standards. The following table highlights the differences between translation and remeasurement according to accounting standards:

Translation	Remeasurement
Intended for use when the functional currency is the local currency	Intended for use when the functional currency is not the local currency
Translates from functional to reporting currency	Remeasures from local to functional currency
FAS52	FAS8 as declared by FAS52
Current rate method	Temporal method
Adjustment goes to the Balance Sheet	Adjustment goes to Profit and Loss Statement

The exchange rate type you use to restate the balances differs by account type for translation and remeasurement. You ensure compliance by specifying the method at the account level.

Account Type	Rate of Exchange
Monetary Asset and Liability Accounts	Current rate as of the Balance Sheet date
Non-monetary Asset and Liability Accounts	Historical rate as of the booking date
Revenue and Expense Accounts	Average rate for period
Expense Accounts tied to Assets and Liabilities	Historical rate based on the underlying Asset and Liability Account

Example of Translation

Infinium GL enables you to translate account balances from the base or secondary currency to a reporting currency. The system uses the rate type you designate for each account number. The translation method on the GL company account determines which rate type the system uses.

In this example the base currency for Company 005 is USD and the base currency for Company 006 is GBP. The system does not create journal entries for the translation. The system uses the replacement method: Account Balance file (GLPGL) to Account Balance file (GLPGL). The system does not create transactions in the Transaction Detail file (GLPTX) for the translation company.

Note: Because the system uses the replace balances method, you can re-run the *Translate account balances* option multiple times.

Account	Exchange Rate	M-T-D Translated Amount	Y-T-D Translated Amount
Cash Account 1 006-001-000-1000-001	1.62	100,500.00 GBP	350,981.17 GBP
Cash Account 2 006-001-000-1000-002	1.62	90,876.12 GBP	271,110.50 GBP
AR Trade Account 006-001-000-1200	1.62	115,620.90 GBP	370,395.00 GBP
Transaction Adjustment Account 006-001-101-9010		120.11 GBP	340.90 GBP

The GL company account balance at the end of the period is 62,037.03 USD for Company 005's account 005-001-000-1000-001. The system multiplies this balance using the designated rate type on the chart of accounts. This rate is 1.62 in the example above. The translated balance at the end of the period is 100,500.00 GBP for account 006-001-000-1000-001.

The system posts any rounding differences in GBP that occur during the translation process to Company 006's translation adjustment account.

Chapter 10 Processing Allocations

10

This chapter contains information about processing allocations in base, secondary and foreign currencies.

The chapter consists of the following topics:

Overview of Processing Allocations

Infinium GL provides you with the ability to create allocation journal entries in base, secondary and foreign currencies. This chapter outlines the currency features of allocation processing.

You use allocation processing to allocate or distribute expenses to different profit centers in your organization. You can generate a journal entry through allocation processing to update actual amounts or budget amounts.

If you have enabled multi-currency processing on both your entity and company controls, you can create an allocation denominated in any currency. The currency must be a valid currency type in the Infinium CM system. If you have enabled dual currency but have not enabled multi-currency processing on your company controls, you can create an allocation in your base or secondary currency only.

The currency fields discussed in this chapter display only if you have specified yes in the *Enable currency processing?* field on the entity control.

For every allocation, you establish an origin, ratio, target and set. For every origin, ratio and target, you define control and detail information. Control information specifies the type of accounts that the system includes in the detail information. In addition, the control information designates the year and period for balances used to calculate the origin and ratio. The detail information specifies the amount to allocate (origin), how to allocate the amount (ratio), and which accounts to use in the allocation entries (target).

Depending on the values on the entity control, the system performs one of the following when creating allocation input journals:

- Creates the journal only; does not automatically accept or post the journal
- Creates and automatically accepts the journal
- Creates, accepts and posts the journal

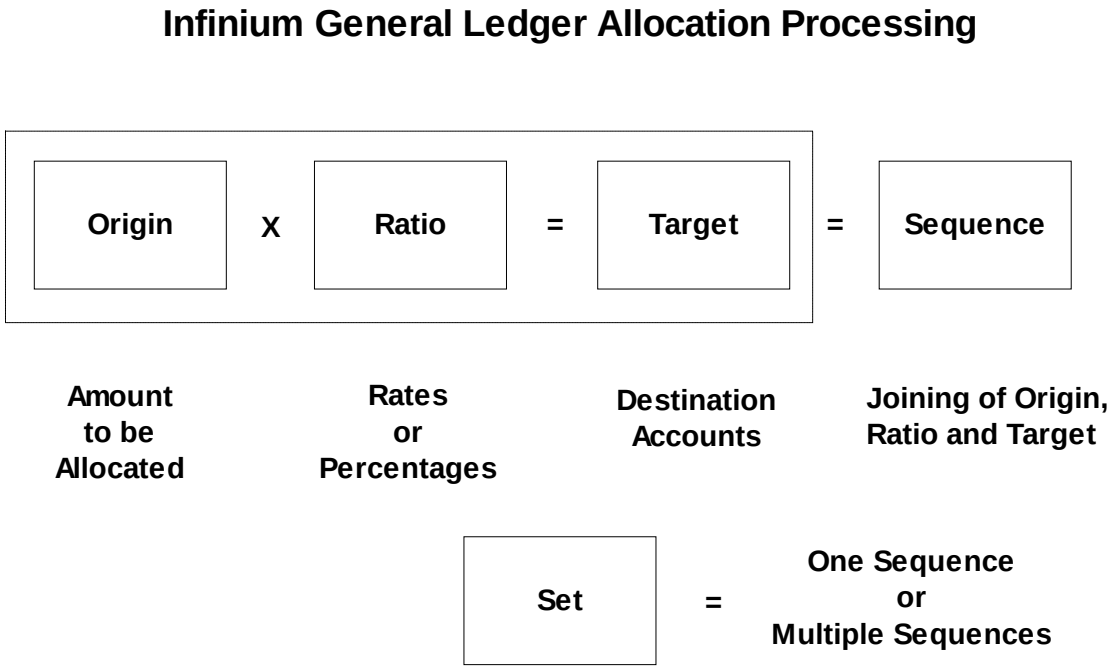


Figure 10-1: Allocation Processing

Example

The example in this chapter illustrates the creation of an allocation journal that allocates fringe benefit expenses from one division in United States dollars to another division in French francs based on headcount by department.

Objectives

After completing this chapter you should be familiar with how to:

- Create an allocation in a foreign or secondary currency
- Submit an allocation in a foreign or secondary currency

Defining the Origin

Overview

You define the origin by setting up control and detail information. The control information designates the following:

- Company or reporting company
- Year and periods that the system uses to obtain balances
- Monetary or statistical account use
- Budget or actual balances

When defining the origin detail, you determine what amount or account balances you allocate. You can use any origin with any ratio. You can create allocations based on any combination of the following:

- Individual account balance
- Total balance of account range
- Total balance of account mask
- Chart of reporting balance
- Budget account balances
- Fixed amounts

Once you specify the amounts to use, the system totals those amounts and uses that total as the origin (the amount to allocate).

Infinium GL provides you with the *Print origin* menu option that allows you to list the details of one or all of your origin definitions.

Steps to Define the Origin

To define the origin, perform the following steps:

1. From the main menu select *Allocation Processing*.
2. Select *Work with origin* [WWO].

3 Specify the origin you are defining or working with by typing the origin identifier in the *Origin id* field.

You can also use the *Copy like origin id* to copy the controls of an existing origin and subsequently modify them as necessary.

4 Press Enter. The system displays a screen similar to Figure 10-2.

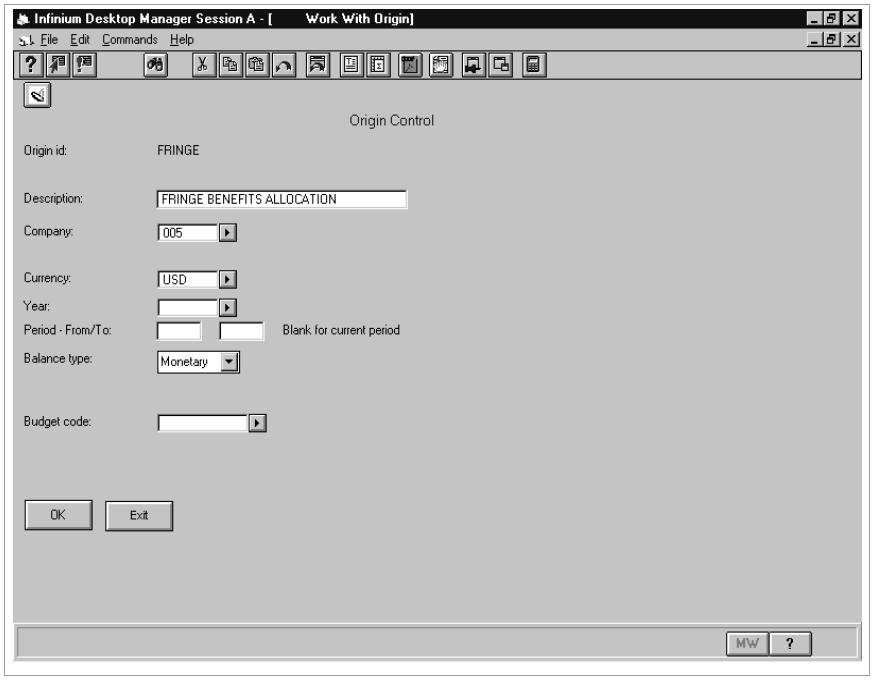


Figure 10-2: Work With Origin Control screen

Defining Control Information for the Origin

5 Use the following information to complete the fields on this screen:

Description

Describe the allocation origin. The system uses this description to further identify this origin on other screens and on reports.

Company

Identify the company on which the system bases the origin.

The system does not restrict you to this company's accounts when you actually define the origin.

Company

Type a company identifier if you use this origin to collect chart of reporting balances.

Currency

Type the currency of the balances the system retrieves when calculating the origin amount. This is a required field if the origin control is monetary.

If you leave this field blank, the system inserts the origin company's base currency when you press Enter. If you type a currency code, it must be a valid currency code in the Infinium CM system.

Leave this field blank if the origin control is statistical.

The system uses the currency value to edit accounts you specify on the detail screen. If the origin currency equals the base or secondary currency of the account company, you can add accounts of any currency to the origin. Otherwise, the account currency must match the currency of the origin.

Year *and* Period - From/To

You can specify a year and period range for the system to use when it accumulates balances for this origin. When you leave these fields blank, the system uses the GL company’s current period on which to base this origin when you submit the allocation.

Balance type

The system accumulates either monetary (**M**) or statistical (**S**) balances.

Budget code

When you specify a budget in this field, the system uses this origin to accumulate budget balances. If you leave this field blank, the system extracts actual balances.

6 Press Enter. The system displays a screen similar to Figure 10-3.

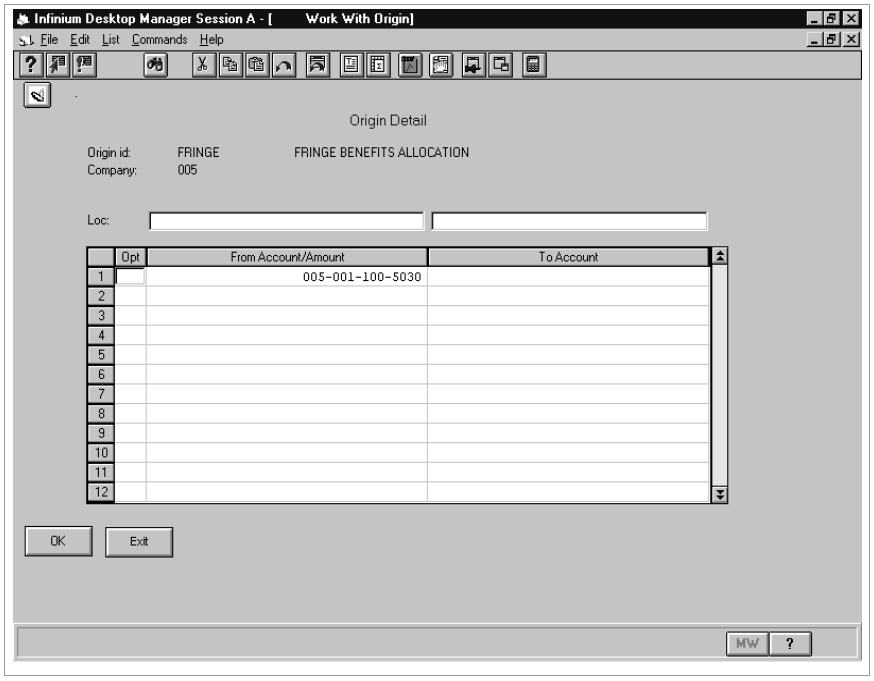


Figure 10-3: Work With Origin Detail screen

7 Press F6 to add a detail item. The system displays a screen similar to Figure 10-4.

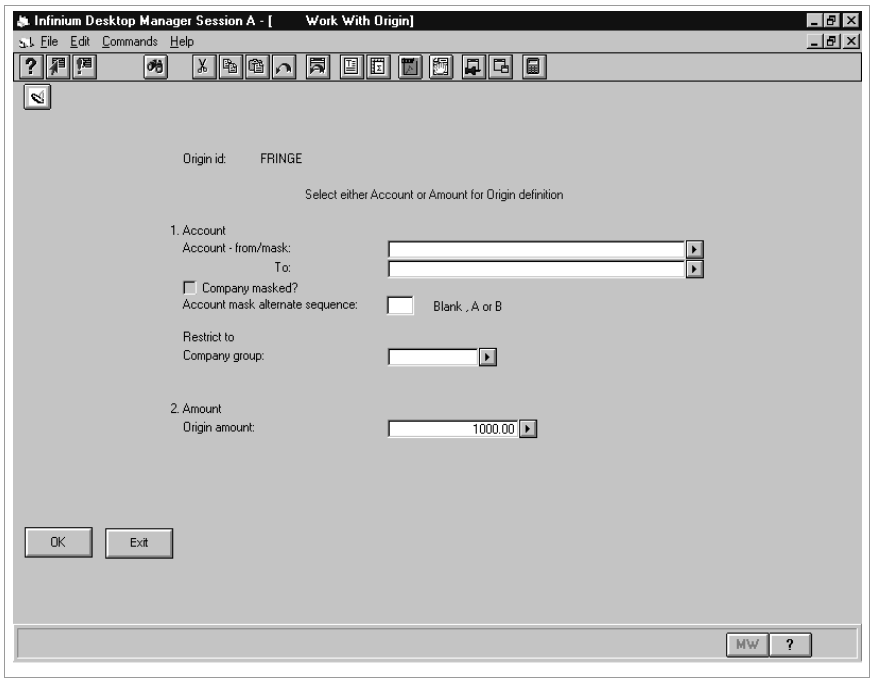


Figure 10-4: Work With Origin creation screen

The system also displays this screen when you select an existing origin detail item on the Work With Origin Detail screen, type **5** and press Enter.

Defining the Amounts to Allocate

You can specify amounts from a single account, an account mask, or an account range. You can also specify a fixed amount. Complete either the *Account* section or the *Amount* section, but not both sections of this screen.

8 Use the following information to complete the fields on this screen:

Account Section

Account - from/mask *and* To

You can type any account in these fields if the origin currency on the origin's control screen is equal to the base or secondary currency of the company to which the account belongs.

If the origin currency is a foreign currency, you must type an account with the same currency as the origin.

Leave the *To* field blank if you are defining a fixed account, account mask, or fixed amount for this origin detail item.

Company masked?

If you specify an account mask and specify yes in this field, the system selects matching accounts for all other companies with the same account structure as the company you specify in the mask.

Account mask alternate sequence

To resolve the accounts for an account mask using an alternate sequence, specify that account mask sequence in this field.

Restrict to Company group

If you have masked the company component of an account mask, you can identify a company group to limit the companies used.

Amount Section

Origin amount

You can specify a fixed amount to add to the origin total.

9 Press Enter to update the origin. The system returns you to the Work With Origin Detail screen.

10 Exit to return to the main menu.

Your Next Step

After you define the amounts in the origin, you define how the system allocates them by defining the ratio.

Defining the Ratio

Overview

The ratio determines the distribution of the origin. After you define the amounts in the origin to allocate, the ratio allows you to define how to allocate those amounts.

As you learned in setting up the origin, you must set up control and detail information to define the ratio. The control information designates the following:

- Company
- Year and periods that the system uses to obtain balances
- Monetary or statistical account use
- Budget or actual balances
- Absolute value

You can divide the origin amount using any, several or all of the following ways:

- Total balance of an account mask
- Single account balance
- Percentages

Infinium GL provides you with the *Print ratio* menu option that enables you to list the details of one or all of your ratio definitions.

Steps to Define the Ratio

To define the ratio, perform the following steps:

1. From the main menu select *Allocation Processing*.
2. Select *Work with ratio* [WWR].

3 Specify the ratio you are defining or working with by typing a ratio identifier in the *Ratio id* field.

You can also use the *Copy like ratio id* field to copy the controls of an existing ratio and subsequently modify them as necessary.

4 Press Enter. The system displays a screen similar to Figure 10-5.

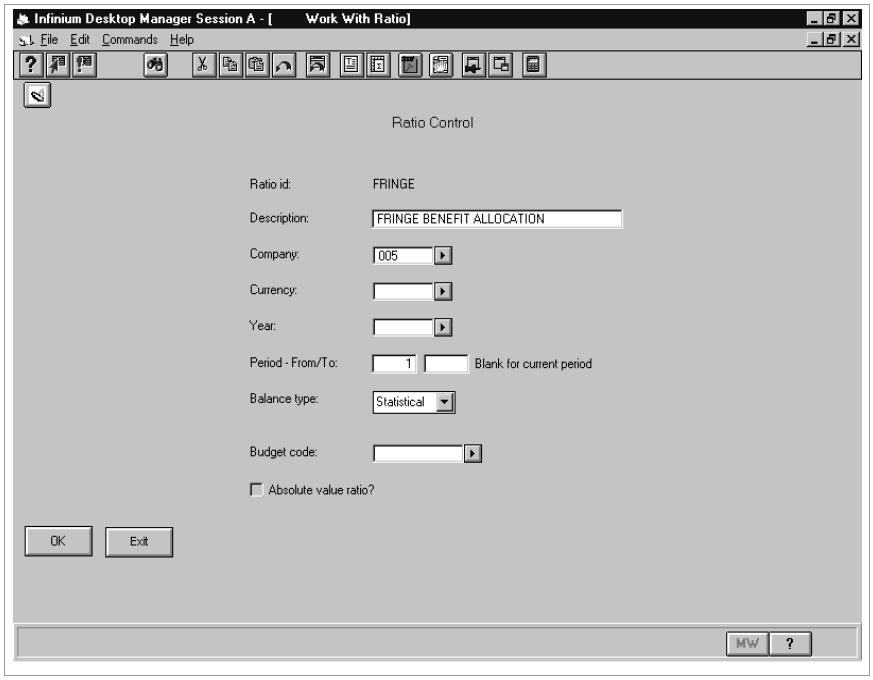


Figure 10-5: Work With Ratio Control screen

Defining Control Information for the Ratio

5 Use the following information to complete the fields on this screen:

Description

Describe the allocation ratio. The system uses this definition to further identify this ratio on other screens and on reports.

Company

Identify the company on which the system bases the ratio.

The system does not restrict you to this company's accounts when you define the ratio.

Currency

Type the currency of the balances to retrieve when calculating the ratio percentages. This is a required field if the ratio control is monetary.

If you leave this field blank, the system inserts the ratio company's base currency when you press Enter. If you type a currency, it must be a valid currency code in the Infinium CM system.

Leave this field blank if the ratio control is statistical.

The system uses the currency value to edit accounts you specify on the detail screen. If the ratio currency equals the base or secondary currency of the account company, you can add accounts of any currency to the ratio. Otherwise, the account currency must match the currency of the ratio.

Year *and* Period - From/To

You can specify a year and period range for the system to use when it accumulates balances for this ratio. When you leave these fields blank, the system uses the current period of the GL company on which to base this ratio when you submit the allocation.

Balance type

The system accumulates either monetary (**M**) or statistical (**S**) balances.

Budget code

When you specify a budget in this field, the system uses this ratio to accumulate budget balances. If you leave this field blank, the system extracts actual balances.

Absolute value ratio?

Specify yes in this field if the system bases the summation of the ratio detail items on their absolute values when it calculates the denominator of this ratio. Specify no in this field if the system bases the summation of the ratio detail items on their actual values.

6 Press Enter. The system displays a screen similar to Figure 10-6.

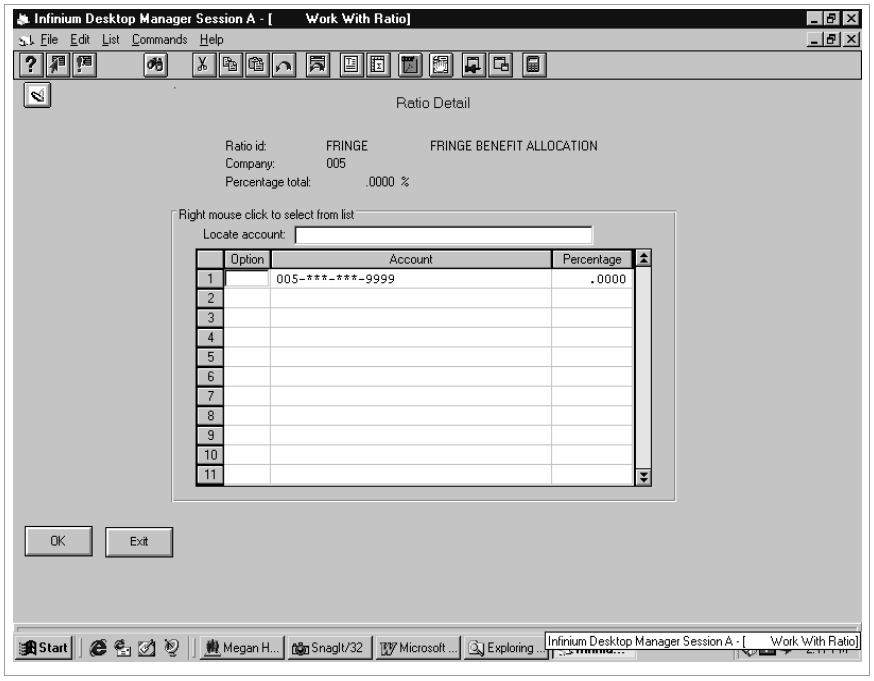


Figure 10-6: Work With Ratio Detail screen

7 Press F6 to add a detail item. The system displays a screen similar to Figure 10-7.

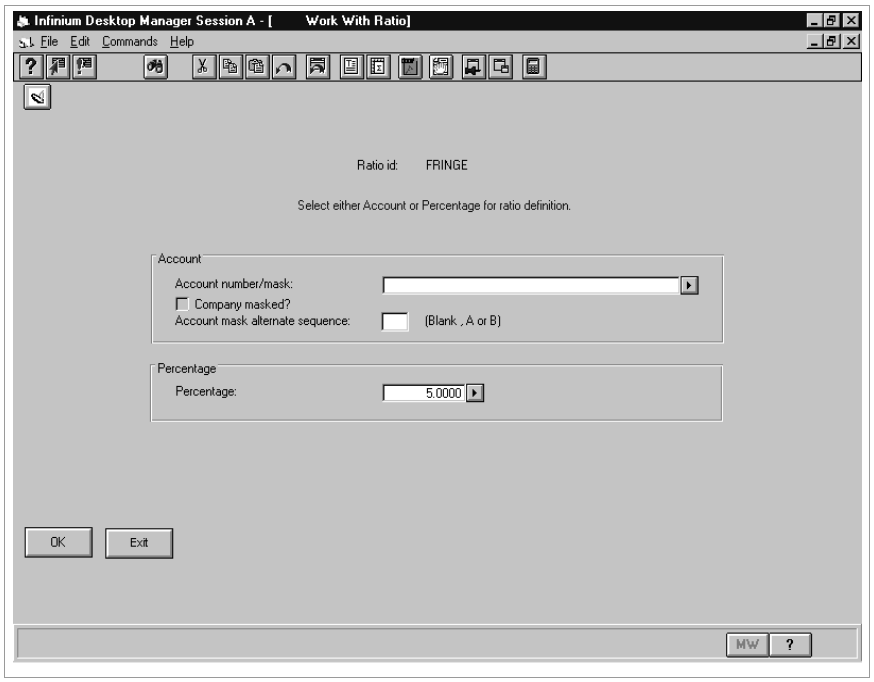


Figure 10-7: Work With Ratio creation screen

The system also displays this screen when you select an existing ratio detail item by typing **5** next to a detail item on the Work With Ratio Detail screen and pressing Enter.

Defining Distribution of the Origin Amount

You can specify the ratio distribution based on balances from a single account, an account mask, or a fixed percentage not greater than 100. Complete either the *Account* section or the *Percentage* section, but not both sections.

8 Use the following information to complete the fields on this screen:

Account Section

Account number mask

You can type any account if the ratio currency on the ratio's control screen is equal to the base or secondary currency of the company to which the account belongs.

If the ratio currency is a foreign currency, you must type an account with the same currency as the ratio.

Company masked?

If you specify an account mask and specify yes in this field, the system selects matching accounts for all other companies with the same account structure as the company you specify in the mask.

Account mask alternate sequence

To resolve the accounts for an account mask using an alternate sequence, type that account mask sequence in this field.

Percentage Section

Percentage

You can specify a fixed percentage to allocate. The system allocates the percentage of the origin to the target account to which you linked this ratio detail item.

9 Press Enter to update the ratio. The system returns you to the Work With Ratio Detail screen.

10 Exit to return to the main menu.

Your Next Step

After you define the ratio, you must attach the ratio to the target.

Defining the Target

Overview

The target specifies the accounts for which the system creates allocation journal entries. You attach the ratio (how the system allocates the amount) to the target. You can attach one ratio to more than one target, but a target can have only one ratio.

Before you can set up detail information for the target, you must set up the target control information. Infinium GL uses the target control information when you create an allocation journal. This information includes the following:

- Journal company
- Year and periods for the batch
- Journal source
- Journal reference
- Budget code
- Monetary or statistical account use
- Offset information
- Corresponding ratio

In setting up the detail information, the system copies the items from the ratio. You update each ratio item with a target account. The system creates the journal entries from the accounts you specify.

Infinium GL provides you with the *Print target* menu option that enables you to list the details of one or all of your target definitions.

Steps to Define the Target

To define the target, perform the following steps:

1. From the main menu select *Allocation Processing*.
2. Select *Work with target* [WWT].

3 Specify the target you are defining or working with by typing a target identifier in the *Target id* field. You can also use the *Copy like target id* field to copy the controls of an existing target and subsequently modify them as necessary.

4 Press Enter. The system displays a screen similar to Figure 10-8.

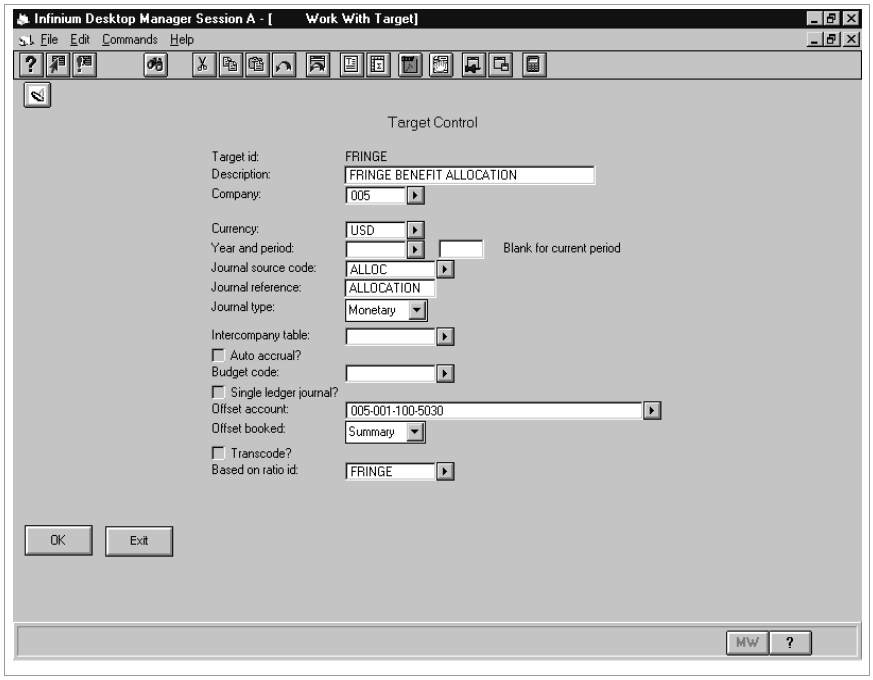


Figure 10-8: Work With Target Control screen

Defining Target Control Information

To create the journal header for the allocation journal, use the following fields:

- *Company*
- *Year and period*
- *Journal source code*
- *Journal reference*
- *Journal type*

5 Use the following information to complete the fields on this screen:

Description

Describe the allocation target control. The system uses this description to further identify the target on other screens and on reports.

Company

Identify the company on which the system bases the target control. This GL company becomes the batch and journal header company on the journals the system creates from this target.

Currency

Specify the currency to use as the processing currency of the journal created by this target control. This is a required field if the target control is monetary.

If you leave this field blank, the system inserts the target company's base currency when you press Enter. If you type a currency, it must be a valid currency code in the Infinium CM system.

Leave this field blank if the target control is statistical.

Year and period

You can specify the year and period the system uses for the target. The accounting year and period become the batch and journal header year and period for allocation journals created by this target. When you leave these fields blank, the system uses the current period of the GL company on which to base this target when you submit the allocation.

Journal source code

Identify the journal source for allocation journals created by this target.

Journal reference

Identify the journal reference for allocation journals created by this target.

Journal type

Specify *Monetary* in this field if the system uses this target to create a monetary allocation journal. Specify *Statistical* if the system uses this target to create a statistical allocation journal.

Intercompany table

Specify the intercompany table the system includes on the journal header of any allocation journals created by this target. The system uses this intercompany table when it performs intercompany balancing for the allocation journal.

Auto accrual?

Specify the value the system uses in the *Auto accrual?* field on the journal header of any allocation journals created by this target. If you specify no in

this field, the system does not reverse the journal. If you specify yes, the system automatically reverses the allocation journal in the subsequent period.

Budget code

To create a budget journal, type a valid budget code. If the target control is monetary and you specify a budget, a budget header must exist with the following attributes:

- Budget has the same name as specified in this field
- Budget type must be **M** (monetary)
- Currency value must be the same as the currency specified in the *Currency* field
- Year must be the same as the year specified in the *Year* field

Single ledger journal?

Specify yes in this field if the allocation journal updates only the base currency ledger or only the secondary currency ledger of the target company. Specify no if the allocation journal updates both the base and secondary currency ledgers. The system displays this field only if you specified yes in the *Enable dual currency?* field on the entity control.

The system displays the value you type in the *Single ledger journal?* field on the allocation journal header.

Offset account

Type an account to use as the offset account for the allocation journal if the journal is monetary.

If the target currency is equal to the base or secondary currency of the company to which the account belongs, type an account denominated in the base or secondary currency.

If the target currency is a foreign currency, you must type an account with the same currency as the target.

Leave this field blank for statistical and/or budget targets.

Offset booked

Select *Summary* in this field to have the system use a single offset account to balance the entire allocation journal. Select *Detail* to override the offset account for each target detail item.

Transcode?

Specify yes in this field to transcode any allocation journal generated from this target. Specify no if you do not transcode the allocation journal generated from this target.

Based on ratio id

Specify the ratio to which to link this target. The system defines a target detail item for each detail item in this ratio.

6 Press Enter. The system displays a screen similar to Figure 10-9.

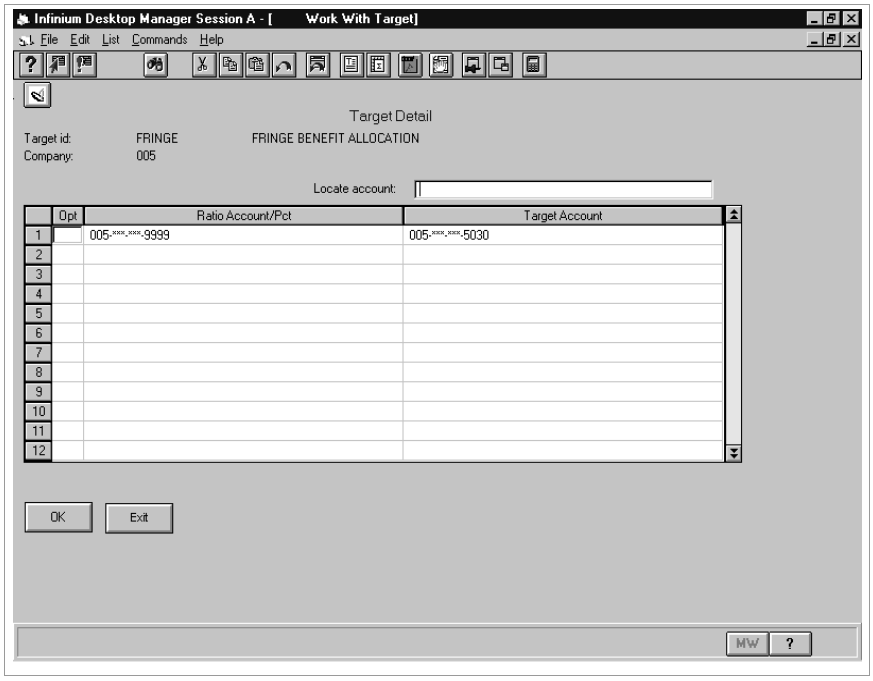


Figure 10-9: Work With Target Detail screen

Defining Target Detail Information

7 Select a ratio item. Type **5** and press Enter. The system displays a screen similar to Figure 10-10.

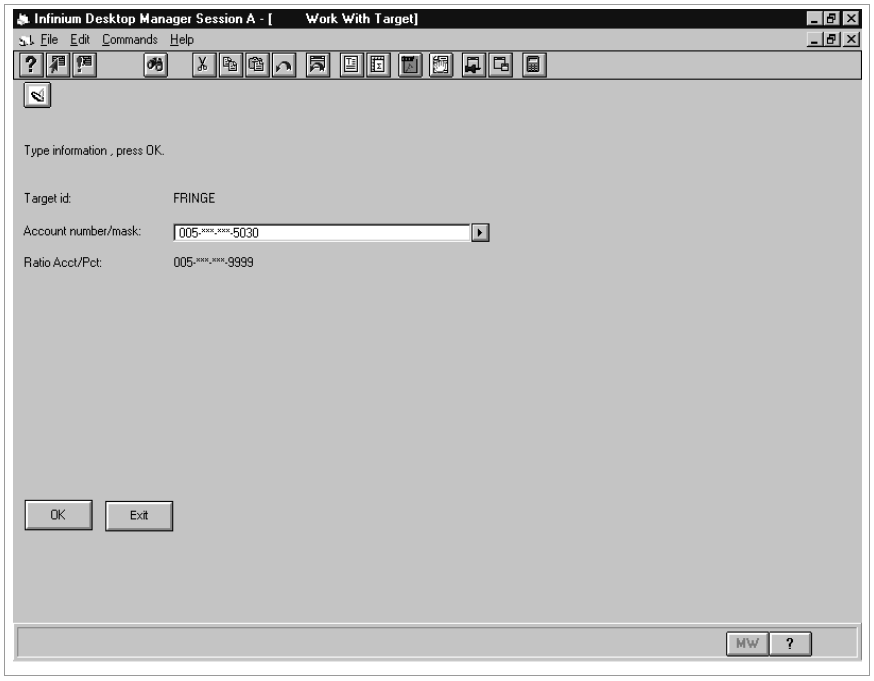


Figure 10-10: Work With Target creation screen

8 Use the following information to complete the fields on this screen:

Account number/mask

Type an account denominated in the base or secondary currency if the target currency on the target's control screen is equal to the base or secondary currency of the company to which the account belongs.

If the target currency is a foreign currency, you must type an account.

Ratio Acct/Pct

The system displays the values you specified in the ratio's detail information for this allocation.

Offset account

If you selected the summary option for the offset account on the target's control screen, type only the account for which to post the amount. The system uses the offset account on the target's control screen to complete the journal entry.

If you selected the detail option for the offset account, you can type the following information:

- The account to which the system posts the amount

- The offset account if it is different from the default offset account on the target's control screen

The system displays the *Offset account* field only if you select to offset in detail on the target's control screen. The system validates the account currency of the offset account in the same manner as it validates the account number/mask.

9 Press Enter to update the record. The system returns you to the Work With Target Detail screen.

10 Exit to return to the main menu.

Your Next Step

After you define the origin, ratio and target, you must define the set.

Defining the Set

Overview

Once you have defined the control and detail information for the origin, ratio and target, you must link the three pieces together to create your allocation journal. Infinium refers to this as the set.

Because Infinium GL provides you with the ability to use an origin with a ratio/target combination, in this step you group an origin with the desired target. You do not specify the ratio because you link every target to a specific ratio.

In addition, you can define multiple allocation journals for the system to generate within one set by defining multiple groupings of origins, ratios and targets. Infinium refers to these groupings as sequences.

Steps to Define the Set

To define a set, perform the following steps:

1. From the main menu select *Allocation Processing.*
2. Select *Work with set* [WWS].
3. Specify the set you are defining or working with by typing a set identifier in the *Set ID* field.

   You can also use the *Copy like set id* field to copy the controls of an existing set and subsequently modify them as necessary.
4. Press Enter. The system displays a screen similar to Figure 10-11.

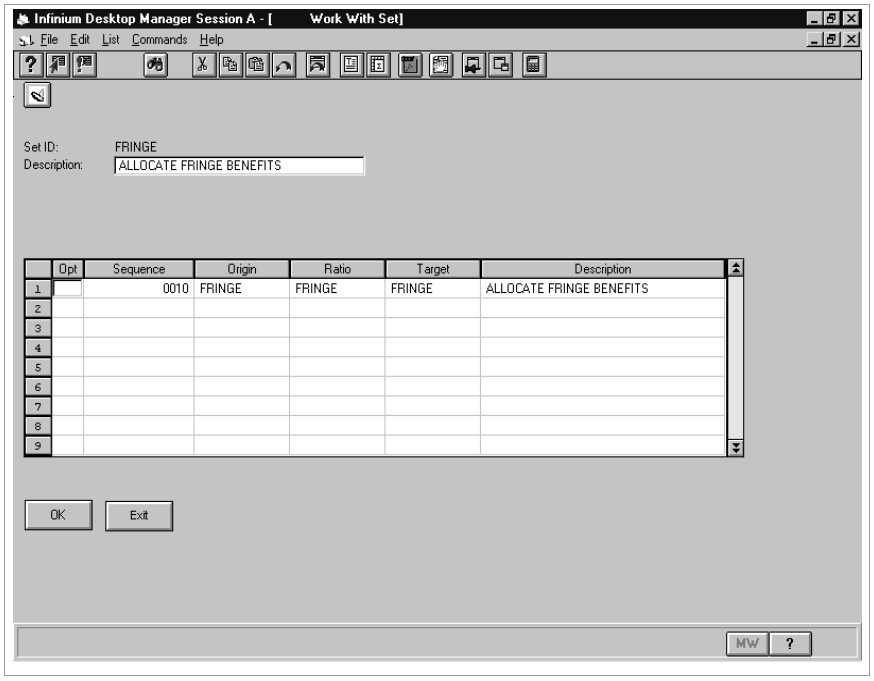


Figure 10-11: Work With Set sequence selection screen

This screen displays all of the sequences defined in this set. Each sequence represents one allocation journal. You can define several allocation journals in each set by creating several sequences.

Creating Set Sequences

5 Press F6 to add a new sequence. The system displays a screen similar to Figure 10-12.

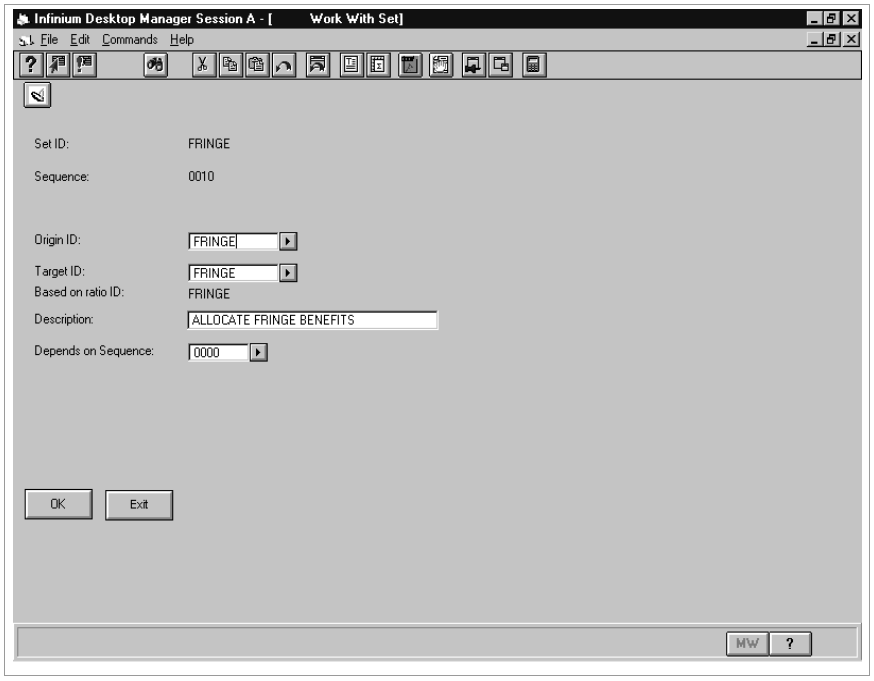


Figure 10-12: Work With Set sequence creation screen

The system also displays this screen when you select an existing sequence, type **5** and press Enter.

6 Use the following information to complete the fields on this screen:

Sequence

You can override the sequence number that the system defaults into this field when you are creating a new sequence. The system processes sequences of an allocation set in ascending order by sequence number.

Origin ID

Specify the identifier of the origin that the system uses to collect balances for this allocation set sequence.

The currency of the origin must be the same as the currency of the target when you define sequences within an allocation set.

Target ID

Specify the identifier of the target that the system uses to create entries for this allocation set sequence. The system automatically displays the ratio to which you linked this target in the *Based on ratio ID* field.

Description

Provide a description for this sequence. The system uses this description to further identify the sequence on display screens and reports.

Depends on Sequence

If this sequence depends on the results of another sequence to allocate correctly, type that sequence identifier in this field. The *Depends on Sequence* value must complete processing before the system can process the sequence you are defining.

7 Press Enter to update the set. The system returns you to the Work With Set sequence selection screen.

8 Exit to return to the main menu.

Submitting the Allocation

Overview

After you have defined a set, you can then submit the entire set or individual sequences within the set to create input journals or budget journals.

Steps to Submit the Allocation

To submit the allocation, perform the following steps:

1 From the main menu select *Allocation Processing*.

2 Select *Submit allocation* [SA]. The system displays a screen similar to Figure 10-13.

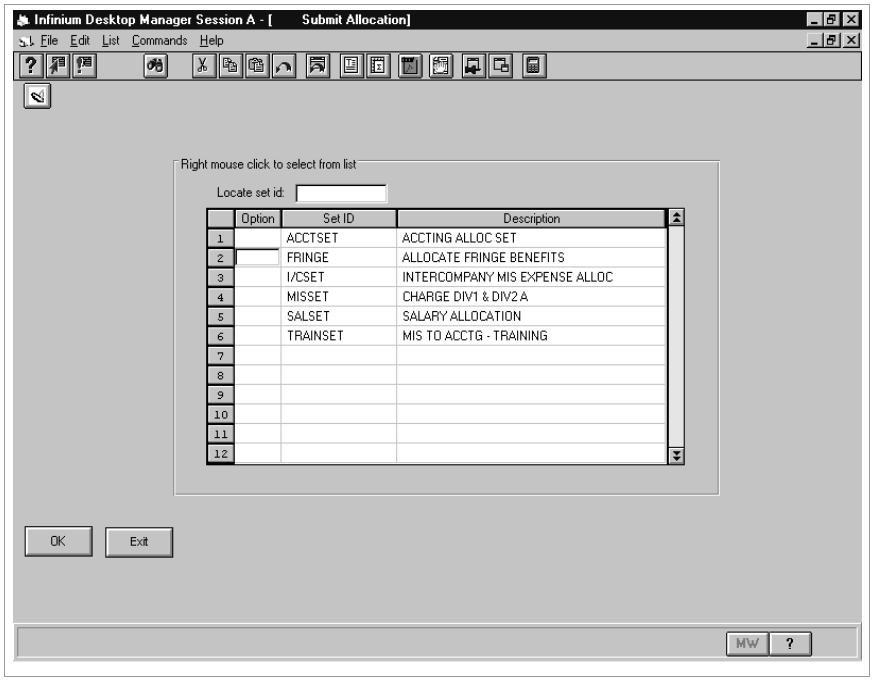


Figure 10-13: Submit Allocation set selection screen

3 Use the following option information to complete this screen:

- Display specific sequences in the set by typing **8** and pressing Enter. The system displays a screen similar to Figure 10-14.
- Submit one or more allocation sets by typing **1** and pressing Enter. The system displays a window similar to Figure 10-15.

In this example, we use the *Show sequences* action.

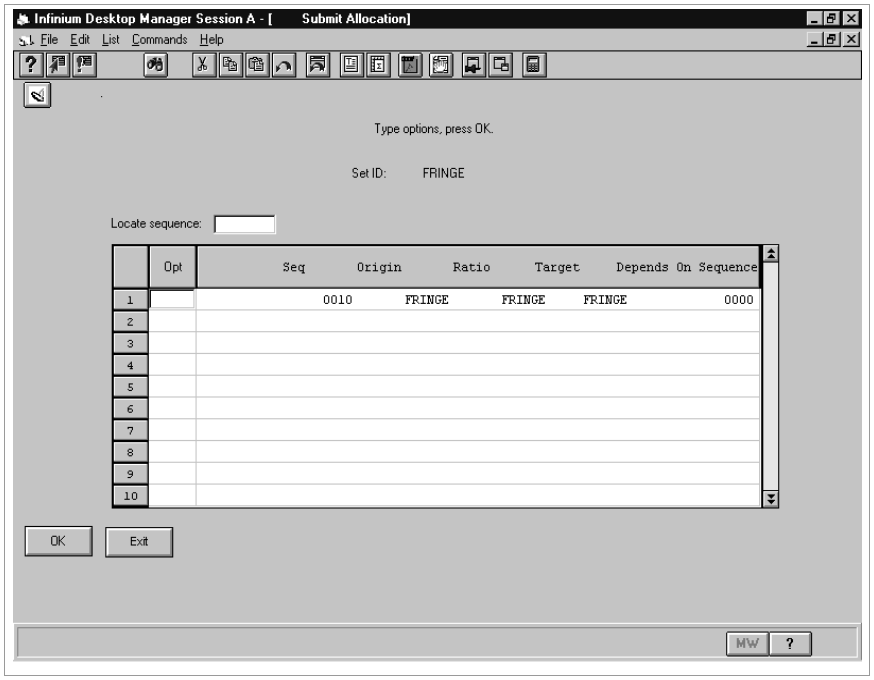


Figure 10-14: Submit Allocation sequence selection screen

You use this screen to select one or more sequences from within an allocation set to create allocation journals. Press F11 (Alternate view) to change the display to sequence, depends on sequence, date and time last submitted, and date and time last completed.

4 Select one or more sequences.

The system enforces the “depends on sequence” feature.

5 Type **1** and press Enter. The system displays a window similar to Figure 10-15.

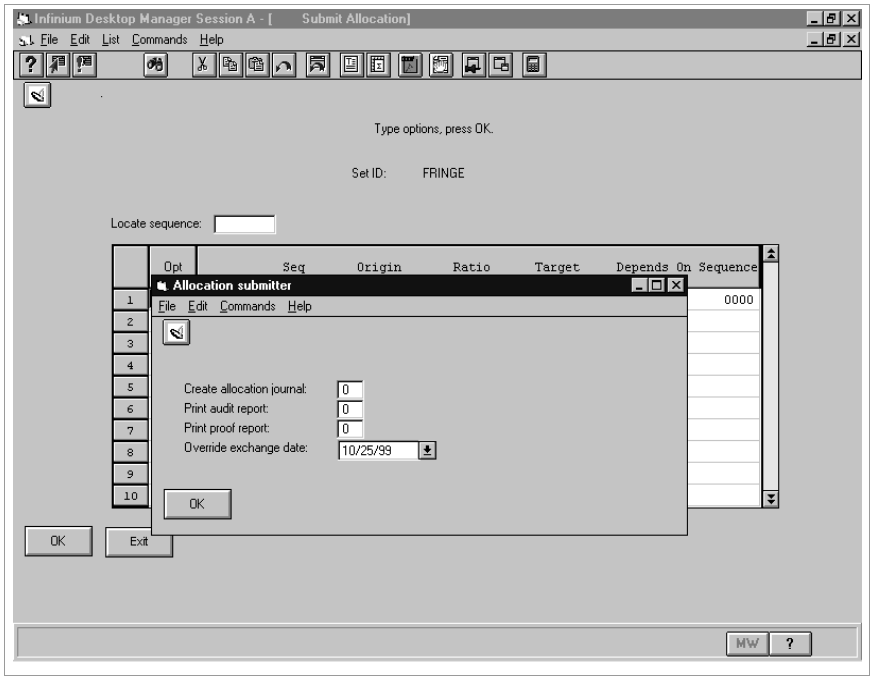


Figure 10-15: Allocation submitter window

The system displays this window when you submit a set or an individual sequence for processing by typing **1** and pressing Enter.

6 Use the following information to complete the currency specific field in this window:

Override exchange date

You can override the system date displayed in this field. The system uses the date in the *Override exchange date* field to retrieve exchange rates from the Infinium CM system. This date prints on the journal header.

7 Press Enter to submit the allocation job. The system returns you to the main menu.

Notes

Chapter 11 Processing Budgets

11

This chapter contains information about processing budgets in your secondary and foreign currencies.

The chapter consists of the following topics:

Overview of Processing Budgets

Infinium GL provides you with the following two ways to create and maintain budgets in your secondary and foreign currencies:

- Interactive Budgeting
- Journal Budgeting

This chapter outlines the currency features of budget processing. For more information on budget processing in your base currency, refer to the *Infinium GL Guide to Processing and Reporting*.

Objectives

After completing this chapter you should be familiar with how to:

- Enter budgets interactively
- Enter creation codes
- Use copy budgets and change budgets features
- Maintain budget journals

Using Interactive Budgeting

Overview

With the use of interactive budget update, you can copy account numbers and actual data or other budget data into a budget. You can type an annual budget amount for each account and have the system automatically spread that amount over the periods specified in a predefined ratio. Entering data through interactive maintenance automatically updates budget files.

Steps to Use Interactive Budgeting

To use interactive budgeting, perform the following steps:

1. From the main menu select *Budget Processing*.
2. Select *Work with budgets* [WWB]. The system displays the Work With Budgets prompt screen.
3. Type a valid company identifier on the prompt screen and press Enter. The system displays a screen similar to Figure 11-1.

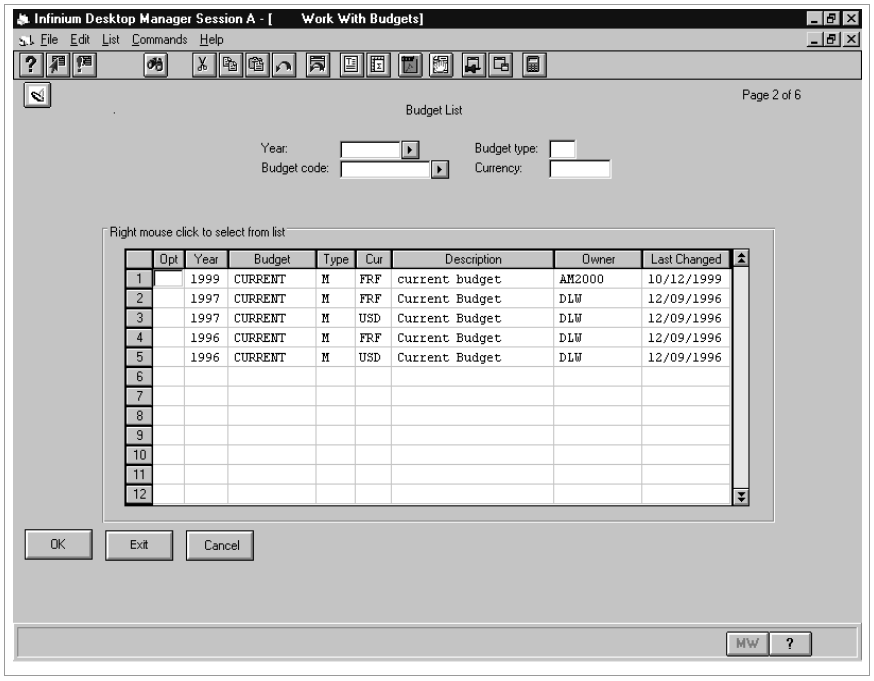


Figure 11-1: Work With Budgets budget list screen

The system displays the currency of the listed existing budgets in the *Cur* column. The system sorts the budgets in the list by year (most recent year first), budget, type and currency.

You have the following options on this screen:

- Press F6 to create a new budget.
- Select an existing budget for update or deletion.
- Type values in all four fields at the top of the screen and press Enter to display the budget identified by the values you typed.

4 Press F6 to create a new budget. The system displays a screen similar to Figure 11-2.

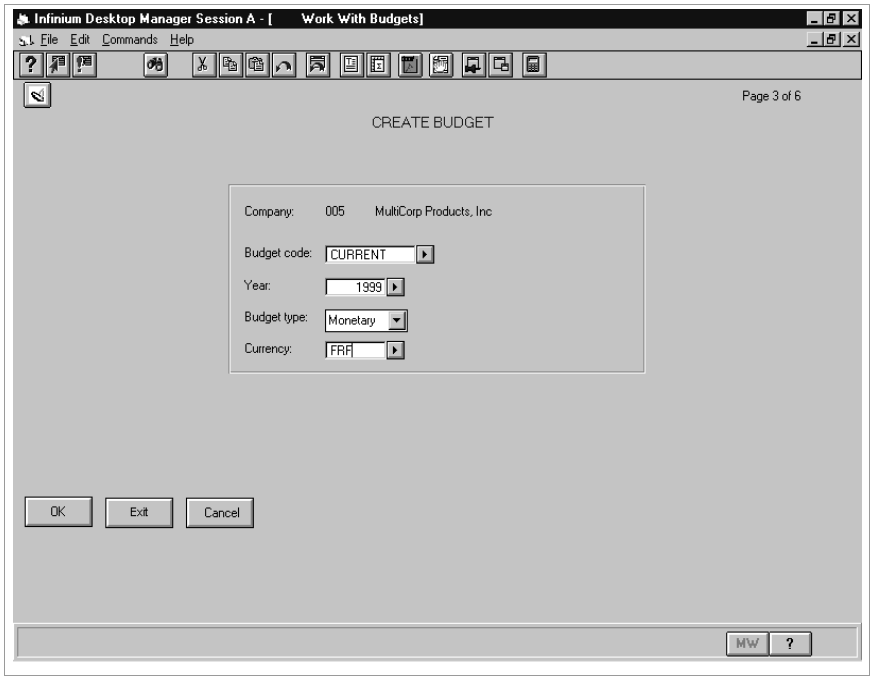


Figure 11-2: Work With Budgets create budget screen

Creating a New Budget

5 Use the following information to complete the fields on this screen:

Budget code, Budget type

Specify a value in these required fields.

You can use the same budget name on budgets of different currencies.

Year

The system uses the current year as the default. You can change this value if necessary.

Currency

If this is a monetary budget, specify a budget currency. If you type a currency, it must be a valid currency code in the Infinium CM system. The currency can be any of the following:

- Base currency of the budget company
- Secondary currency if one is defined for the budget company
- Any foreign currency if multi-currency is enabled for the budget company

Leave the *Currency* field blank if the budget is a statistical or numeric user field budget.

6 Press Enter. The system displays a screen similar to Figure 11-3.

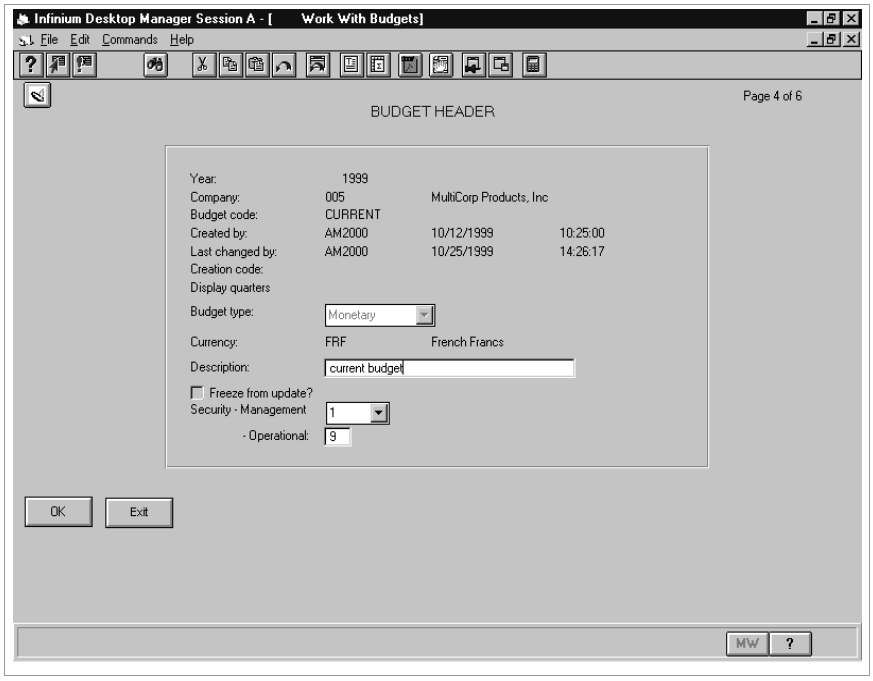


Figure 11-3: Work With Budgets budget header screen

Creating the Budget Header

The system also displays this screen when you select an existing budget on the Work With Budgets budget list screen and then type **5** and press Enter.

The system displays the currency you typed on the Work With Budgets create budget screen. The system obtains the currency description from the Infinium CM system.

You have the following options on this screen:

- Press Enter to work with budget details.
- Press F5 to copy accounts and budget amounts for this budget. For more information, refer to the “Copying Interactive Budgets” topic in this chapter.
- Press F6 to create the budget’s creation code. For more information refer to the “Working with Budget Creation Codes” topic in this chapter.
- Press F7 to change a budget’s creation code and budget amounts. For more information refer to the “Changing Interactive Budgets” topic in this chapter.

7 Press Enter after you complete the fields on this screen. The system displays a screen similar to Figure 11-4.

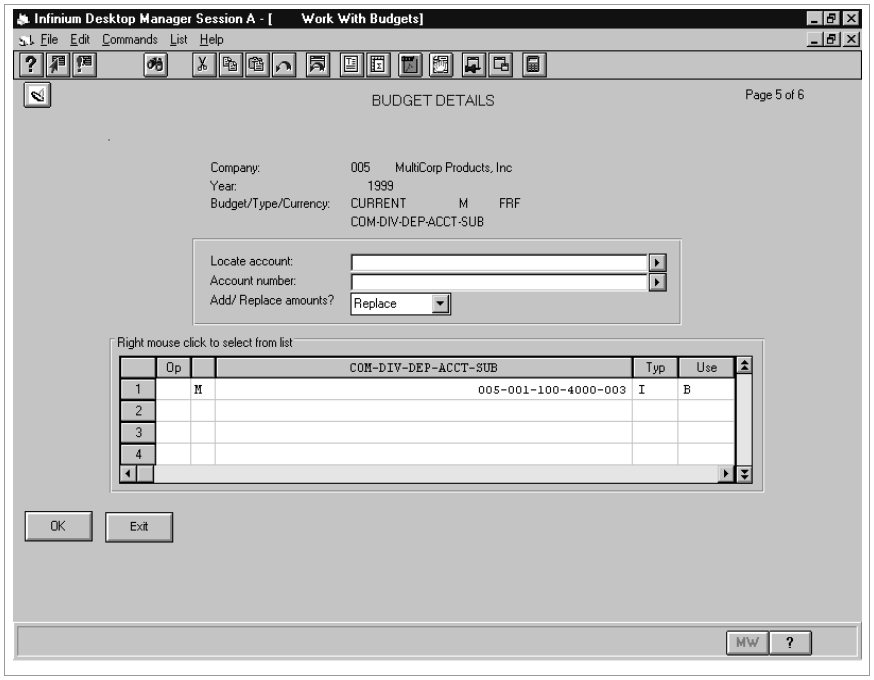


Figure 11-4: Work With Budgets budget details screen

Creating Budget Details

8 Specify a valid account in the *Account number* field to include an account in the budget.

You can specify any account if the budget currency is equal to the base or secondary currency of the budget company.

If the budget currency is a foreign currency, you should specify an account with the same currency as the budget.

9 Press Enter. The system displays a screen similar to Figure 11-5.

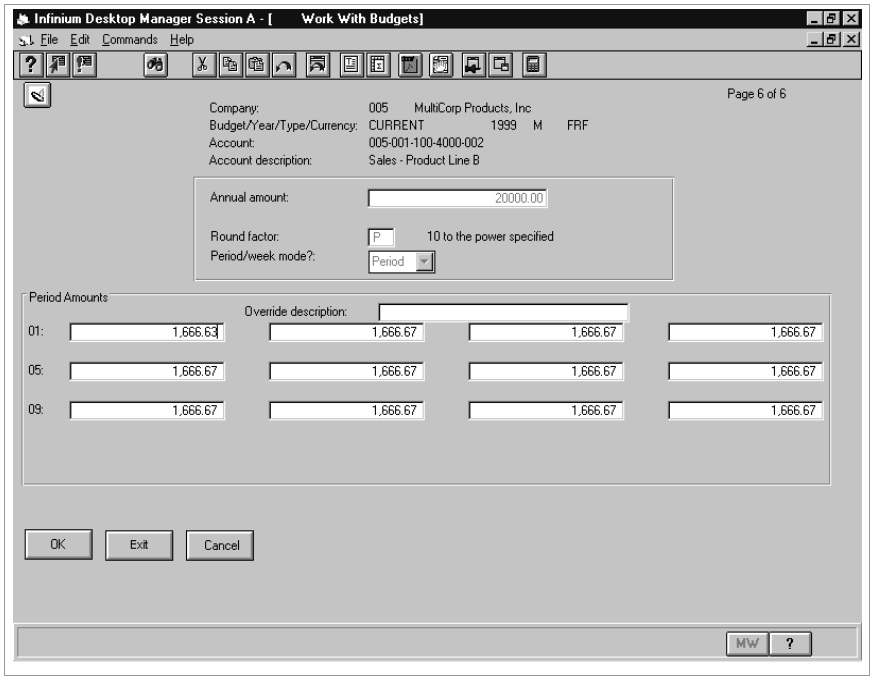


Figure 11-5: Work With Budgets annual budget amount screen

The system displays this screen only when you are creating new accounts or when you select an existing account, type **2** and press Enter.

No fields on this screen pertain to currency.

10 Press Enter. The screen expands allowing you to specify period amounts.

11 Specify period amounts.

12 Press Enter to recalculate weekly amounts and return to the previous screen.

13 Exit to return to the main menu.

Copying Interactive Budgets

Overview

Infinium GL provides you with the ability to copy a budget from within the Work With Budgets budget header screen. You press F5 to copy a budget. You can specify accounts to include in a budget by copying data from existing budgets or from actual data. You can then easily define budget information by selecting the accounts you copied and specifying the budget amounts.

This procedure eliminates the task of typing account numbers. When you use the copy feature, the system copies only accounts that have activity and are not already in the budget you are currently updating.

Steps to Copy Interactive Budgets

To copy interactive budgets, perform the following steps:

1. From the main menu select *Budget Processing*.
2. Select *Work with budgets* [WWB]. The system displays the Work With Budgets prompt screen.
3. Access the Work With Budgets budget header screen by following steps 4 – 7 in the “Using Interactive Budgeting” task.
4. Press F5 from the budget header screen. The system displays a screen similar to Figure 11-6.

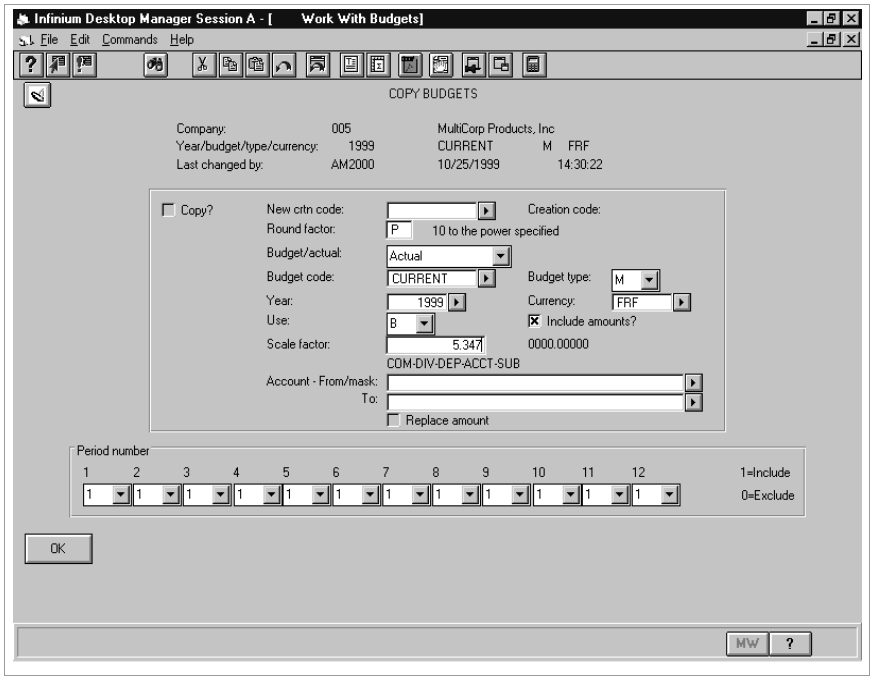


Figure 11-6: Work With Budgets copy budgets screen

You use this screen to copy accounts from the chart of accounts or from an existing budget.

You can use the scale factor to enter an exchange rate if you want to copy a budget into another currency.

5 Use the following information to complete the fields on this screen:

Copy?

Specify yes in this field to copy accounts.

New crtn code

Identify the new budget's creation code. The system applies this code to all subsequent account entries.

Round factor

Specify a rounding factor for the system to use when it copies amounts into this budget. Valid values include the following:

0 through **9**	Rounds to the nearest unit of one through the nearest unit of 100000000

A Rounds to two decimal positions and spreads the annual amount evenly over periods; the system copies only accounts with activity into the budget

P Rounds to two decimal positions

blank Rounds to zero decimal positions and spreads the annual amount evenly over periods

Budget/actual

Indicate whether to copy from budget or actual data.

B Copies accounts from another budget.

A Copies accounts that have posted activity. The system uses the actual balances of the same currency as the budget header currency.

C Copies accounts regardless of activity. The system does not copy amounts.

Budget code

Specify the budget code you are copying.

Budget type

Leave this field blank if you are copying from actuals or the chart of accounts. Otherwise, you can specify a monetary (**M**), statistical (**S**), numeric 1 user field (**1**), numeric 2 user field (**2**) budget type.

Year

This is the year from which the system copies actual or budget data. The system defaults the current year into this field, but you can change it to another valid year.

Currency

Type a valid value in this field when you are copying accounts from a budget or from accounts with posted activity. The system uses this value in conjunction with the budget code, budget type and year.

Use

Specify whether the system copies monetary (**M**), statistical (**S**) or both (**B**) types of accounts.

Include amounts?

Use this field when you copy from a budget or from actuals. Specify whether the system copies amounts and accounts or only accounts.

Scale factor

You can specify the amount by which the system increases or decreases a budget amount.

Account - From/mask and To

You use these fields to identify the accounts to include in the copy. If you leave these fields blank, the system copies all of the accounts in the budget.

Replace amount

This field allows you to replace amounts in accounts that already exist in the budget. You can use this field when you copy one budget into another as well as when you copy actuals into a budget.

Period number

When you copy a monetary budget, you can update a specific month, range of months or all periods.

6 Press Enter to execute the copy. The system copies the budget and returns you to the main menu.

Changing Interactive Budgets

Overview

Infinium GL provides you with the ability to change a budget from within the Work With Budgets budget header screen. You press F7 to change a budget's creation code and the budget's controls.

You can change an existing budget for selected periods or the entire year for a specific account or an account mask. The options for changing a budget are as follows:

- Increasing or decreasing budget amounts by a factor
- Setting budget amounts equal to actual data
- Increasing or decreasing the budget amount by a specified dollar amount

Steps to Change Interactive Budgets

To change interactive budgets, perform the following steps:

1. From the main menu select *Budget Processing*.
2. Select *Work with budgets* [WWB]. The system displays the Work With Budgets prompt screen.
3. Access the Work With Budgets budget header screen by following steps 4 – 7 in the "Using Interactive Budgeting" task.
4. Press F7 from the budget's header screen. The system displays a screen similar to Figure 11-7.

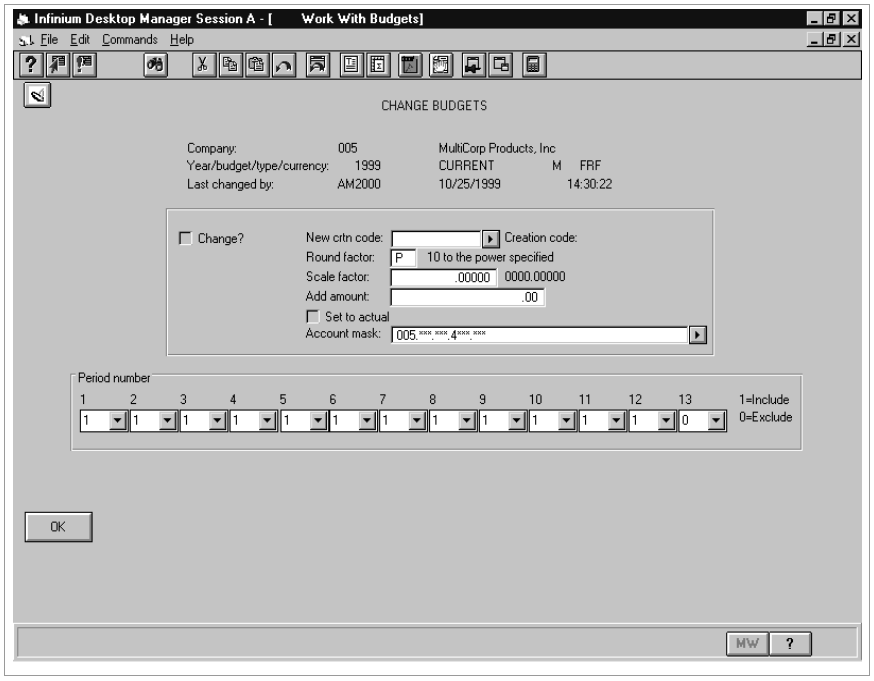


Figure 11-7: Work With Budgets change budgets screen

You use this screen to change the creation code, rounding factor, or amounts in the budget. You can change the budget amounts by scaling them up or down, by adding or subtracting amounts, or by setting them to actuals.

Refer to the previous topic, “Copying Interactive Budgets,” for information about the *New crtn code, Round factor*, *Scale factor* and *Period number* fields.

5 Use the following information to complete the remaining fields on this screen:

Change?

Specify yes in this field to change accounts.

Add amount

The system adds the amount you type in this field to some or all of the existing accounts in this budget. This field works in conjunction with the *Period number* and *Account mask* fields. The system adds this amount to each period you specify and to each account that falls within the account mask if you enter one.

Set to actual

You can indicate whether to set the budget amounts equal to the month-to-date actual amounts for each account in a given year.

If you specify yes, the system uses the actual balances of the same currency as the budget header currency.

Account mask

You use this field to identify the accounts to include in the change. If you leave this field blank, the system changes all of the accounts in the budget.

6 Press Enter to execute the change. The system returns you to the main menu.

Working with Budget Creation Codes

Overview

Infinium GL provides you with the ability to determine the distribution of budget amounts. You can predefine creation codes using the *Work with budget creation codes* option or you can define the creation code on an as needed basis by pressing F5 from within a budget. You can distribute annual amounts by using either prototype accounts or ratios.

Steps to Work with Budget Creation Codes

To use budget creation codes, perform the following steps:

1. From the main menu select *Budget Processing*.
2. Select *Creation Codes*.
3. Select *Work with budget creation codes* [WWBCC]. The system displays the Work With Budget Creation Codes prompt screen.
4. Type an existing creation code or the name of a new creation code on the prompt screen.
5. Press Enter. The system displays a screen similar to Figure 11-8.

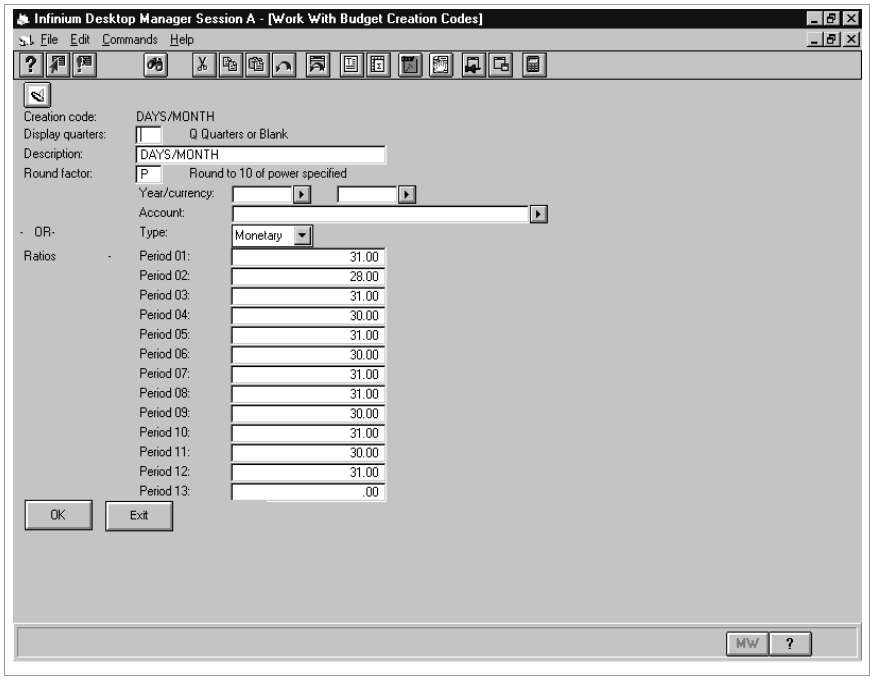


Figure 11-8: Work With Budget Creation Codes screen

You use this screen to define your creation code or view the details of an existing creation code.

6 Use the following information to complete the fields on this screen:

Using a Prototype Account

When you use a prototype account to set the ratios in this creation code equal to the month-to-date actuals in a specific account number, complete the *Year/currency*, *Account* and *Use* fields.

When you specify an account and a specific year, the system creates ratios based on actual amounts. The system uses these ratios to spread a budget amount. For example, you can use the sales account activity for a previous year as a ratio to spread the expected sales budget for the current year.

Display quarters

Specify whether the system displays quarterly amounts for update. If you type **1** in this field, the system displays quarterly amount fields after you enter the annual amount for an account, but before the display of the monthly fields. If you leave this field blank, the system does not display quarterly amount fields.

Description

Type a meaningful description of the creation code. The system uses this description to further identify creation codes on other screens and on reports.

Round factor

You can specify a rounding factor for the system to use when it rounds monthly amounts. Valid values include **0** through **9** and **P**. A value of **P** rounds to two decimal positions on a period by period basis. A value of **0** through **9** rounds to the nearest unit of one through the nearest unit of 100000000.

Refer to the detailed explanation of the *Round factor* field beginning on page 11-10.

Year/currency

Type the year and currency of the balance to use for the prototype account you type in the *Account* field. The currency code you type must be a valid currency in the Infinium CM system.

Account

Type a valid account number to identify which account's activity the system uses as a prototype account.

Type

Specify the prototype's activity.

M	Monetary
S	Statistical
1	Numeric 1 user field
2	Numeric 2 user field

The prototype account, year, type of balance and currency together identify a particular set of data for the system to use to create a budget ratio for the accounting periods. When you enter annual budget amounts for a new budget, the system uses this ratio to spread the annual amounts across the periods. You can then use actual historical activity trends to predict budget levels by quarter, month and week.

Using a Ratio

When using ratios, leave the prototype account section blank and use the lower portion of the screen to specify the portion of the ratio total the system allocates to each period. You can type the ratio in each period. For example, to spread by days of the month using a calendar year, type the ratios shown in the table below.

Period	Ratio	Period	Ratio
Period 1	31	Period 7	31
Period 2	28	Period 8	31
Period 3	31	Period 9	30
Period 4	30	Period 10	31
Period 5	31	Period 11	30
Period 6	30	Period 12	31

This example distributes 8.5% (31/365) of the annual amount into Period 1.

Period (01 through 13)

Type the portion of the ratio total the system allocates to each period. When you enter annual budget amounts, the system determines the amount to allocate to each period by dividing each period's portion by the total of the ratio.

Note: The system places any overage or shortage caused by the rounding effect in Period 1.

7 Press Enter to update the creation code. The system returns you to the prompt screen.

8 Exit to return to the main menu.

Creating Budget Journals

Overview

You can enter budget amounts through journal entry. Budget journals provide you with a posting report of updates to your budgets. If the value in the *Freeze from update?* field on the budget header screen is **1** (Yes), you can modify budgets frozen from interactive update only through the use of budget journals.

You must follow two steps to create and update a budget using budget journals.

1. Create a budget code through the interactive *Work with budgets* option. You can also make entries into the budget at this time.

2. Update a budget using the *Work with budget journals* option. Budget journals contain information relating to the company, budget, year and period, as well as accounts and amounts to add or subtract from that particular account. Using budget journals allows you to update budgets on a period-by-period basis only.

   Note: As described earlier, you create a budget by typing a company code, year, budget code, budget type and budget currency. For a detailed description of this option, refer to the previous section “Using Interactive Budgeting.”

Steps to Maintain a Budget Using Budget Journals

To maintain a budget using budget journals, perform the following steps:

1. From the main menu select *Budget Processing*.

2. Select *Budget Journals*.

3. Select *Work with budget journals* [WWBJ]. The system displays the Work With Budgets prompt screen.

4. Select an existing batch or type a valid company identifier.

5 Press Enter. The system displays a screen similar to Figure 11-9.

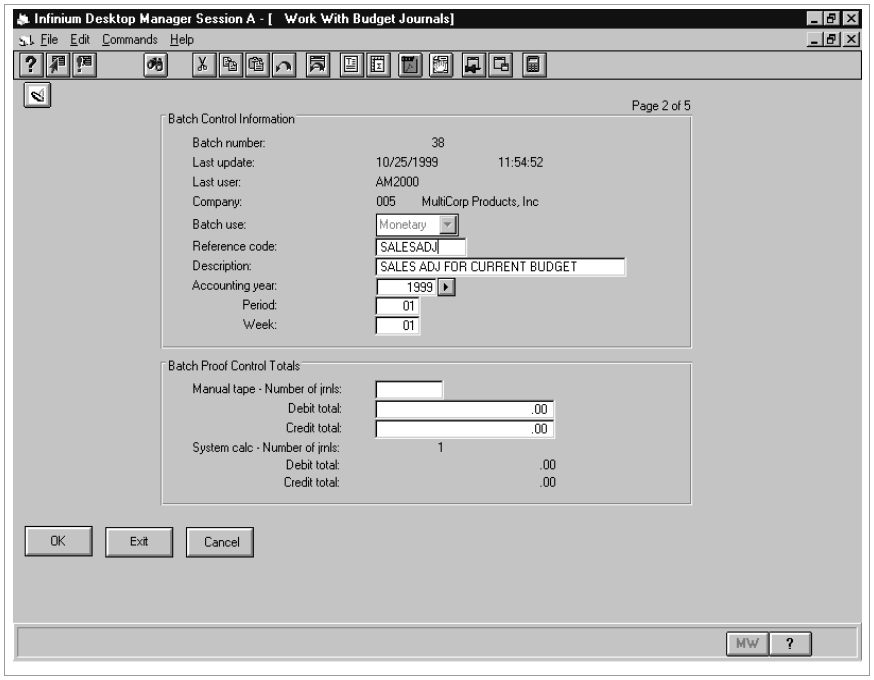


Figure 11-9: Work With Budget Journals screen 2

The system displays the following batch control information:

- Internal number assigned to the batch
- Date and time the batch was last updated
- User profile that last updated the batch
- Company for which the system posts the batch
- Type of batch
- Accounting year, period and week
- Batch proof control totals

6 Press Enter. The system displays a screen similar to Figure 11-10.

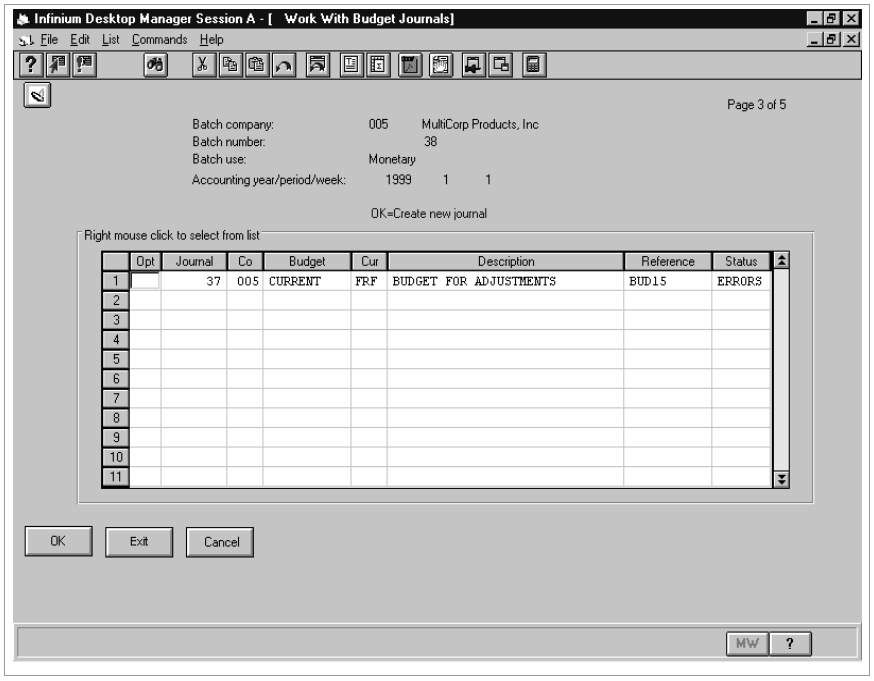


Figure 11-10: Work With Budget Journals screen 3

The system displays the currency of the budget that this journal updates.

7 Press Enter to create a new journal. The system displays a screen similar to Figure 11-11.

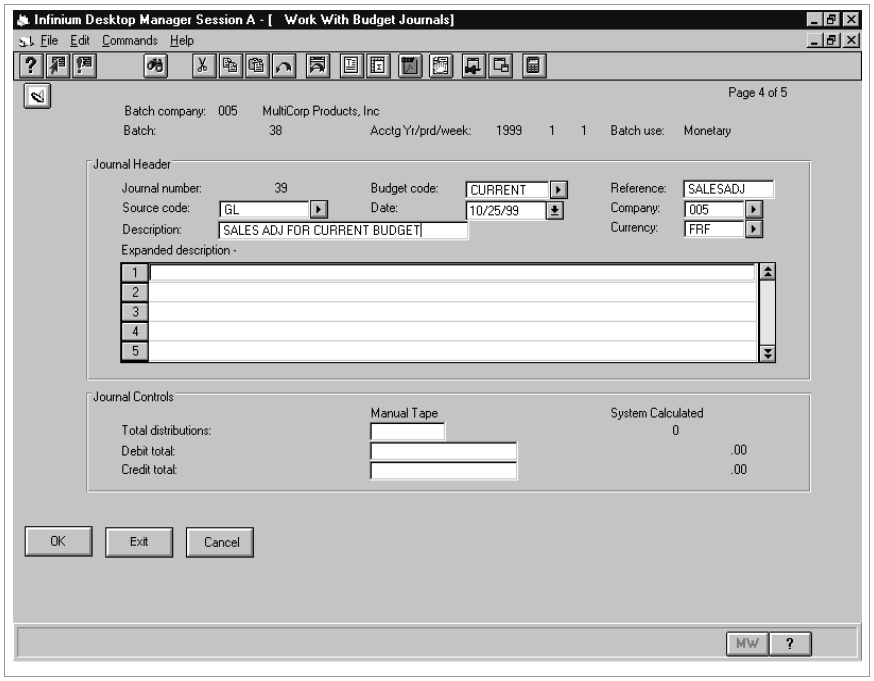


Figure 11-11: Work With Budget Journals screen 4

Use this screen to type more detailed information about your journal.

8 Use the following information to complete the fields on this screen:

Budget code

Indicate the code of the budget to which the system posts this journal. The budget code must exist. You create budget codes using the *Work with budgets* option.

Currency

Type the currency of the budget that this journal updates. If the budget is monetary, you must type a value in this field.

A budget header must exist for the journal company/budget/ year/currency/batch type combination on this screen.

9 Press Enter. The system displays a screen similar to Figure 11-12.

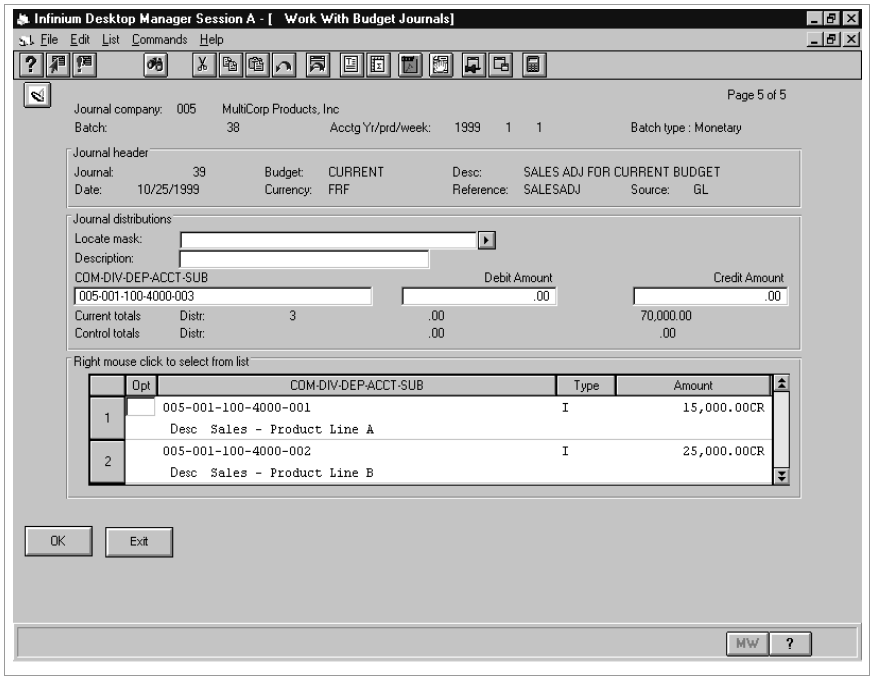


Figure 11-12: Work With Budget Journals screen 5

The account template serves as a prompt for the account number field directly below it. You use the *Journal distributions* section of the screen to select accounts to include in the budget. You also use this section to locate detail lines in the subfile for update.

10 Complete the fields on this screen using the following information:

Account Number

To include an account in the budget, type the account number. You can also press F23 to select multiple accounts at one time.

11 Press F16 to update the journal and then exit to return to the main menu, or exit this function without updating the journal.

Chapter 12 Working with EMU Currencies

12

This chapter of the guide provides an overview of the euro currency.

The chapter consists of the following topics:

Overview of EMU Currencies

Effective January 1, 1999, conversion between the national local currencies (NLCs) of the Economic and Monetary Union (EMU) members must be handled in accordance with the terms of the Maastricht Treaty, Article 235.

Effective January 1999, the euro is a valid unit of currency for all countries that are members of the EMU.

For full details on working with EMU currencies, refer to the *Infinium CM Guide to Setup and Processing*.

Triangulation for NLC Currencies

Between January 1, 1999, and June 30, 2002, EMU countries, banks, and businesses may use both their NLCs and the new common currency, the euro. By June 30, 2002, however, the NLCs will no longer be valid.

Each business must switch entirely to the euro for its own processing at some time during this transitional period. This timing is up to the individual company.

Triangulated Conversions between Two NLCs

Some of the rules that apply to conversions between any two NLCs during the period from January 1, 1999, to June 30, 2002, are as follows:

- There is no direct conversion between one NLC, such as the French franc, and another NLC, such as the German deutschemark. Instead, you must use triangulation. Triangulation means converting the first NLC to the euro, and then converting the resulting euro amount to the second NLC.
- For each step of the conversion between two NLCs, you must use the fixed published conversion rate between the euro and the national currency. This rate is published with six significant figures.

  Infinium CM provides for up to nine significant digits (digits after the decimal point) and up to six digits before the decimal point for exchange rates. The largest valid number is 999999.999999999.
- The rules forbid using an inverse rate. That is, the rules do not allow a reciprocal rate between the euro and a specific NLC.

The prohibition of using the inverse rate does not forbid use of the Infinium CM reciprocal relationship between two currencies. You can still define one set of exchange rate controls for the relationship between two currencies.

The system appropriately multiplies or divides by the rate, depending upon the direction of conversion and your quotation method. The following table summarizes the possibilities:

Infinium CM Control Source and Target	Quotation Method	To convert euro to NLC	To convert NLC to euro
Euro/NLC	Direct	Multiply by rate	Divide by rate
Euro/NLC	Indirect	Divide by rate	Multiply by rate
NLC/Euro	Direct	Divide by rate	Multiply by rate
NLC/Euro	Indirect	Multiply by rate	Divide by rate

Since the EMU publishes the exchange rates as 1 euro = X NLC units, Infinium recommends that you define the exchange rate controls with the euro as the source currency, the NLC as the target currency, and the quotation method as direct.

The euro amount resulting from the first step of the triangulation process (conversion of the first NLC to the euro) cannot be rounded to fewer than three decimal positions prior to converting that amount to the other NLC.

Infinium uses up to eight decimal positions for the intermediate amount.

Triangulated Conversions between a Non-NLC and an NLC

The same rules apply to conversion between a non-NLC and an NLC as to conversions between two NLCs, except that the published rates between the euro and the non-NLC fluctuate over time.

These rules apply to both the EMU's member countries and to all countries doing business with those EMU member countries.

Displaying the Two Exchange Rates

Infinium GL normally displays the exchange rate for conversion between two currencies. When triangulation occurs, Infinium GL displays an asterisk next to the exchange rate field instead of displaying the actual exchange rate. This asterisk indicates that because triangulation was applied, there are two exchange rates. You can press the Display Rates function key to display a pop-up window that shows the two rates for all online screens. Also, the system prints an asterisk on reports to indicate that triangulation has occurred.

The sample screens below show an asterisk to indicate that triangulation has occurred.

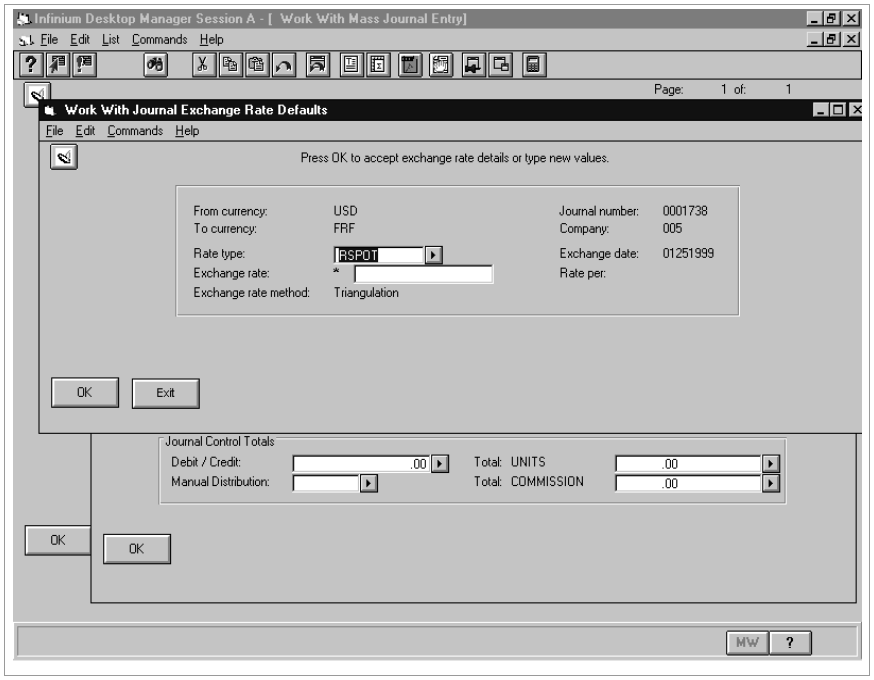


Figure 12-1: Work With Mass Journal Entry screen

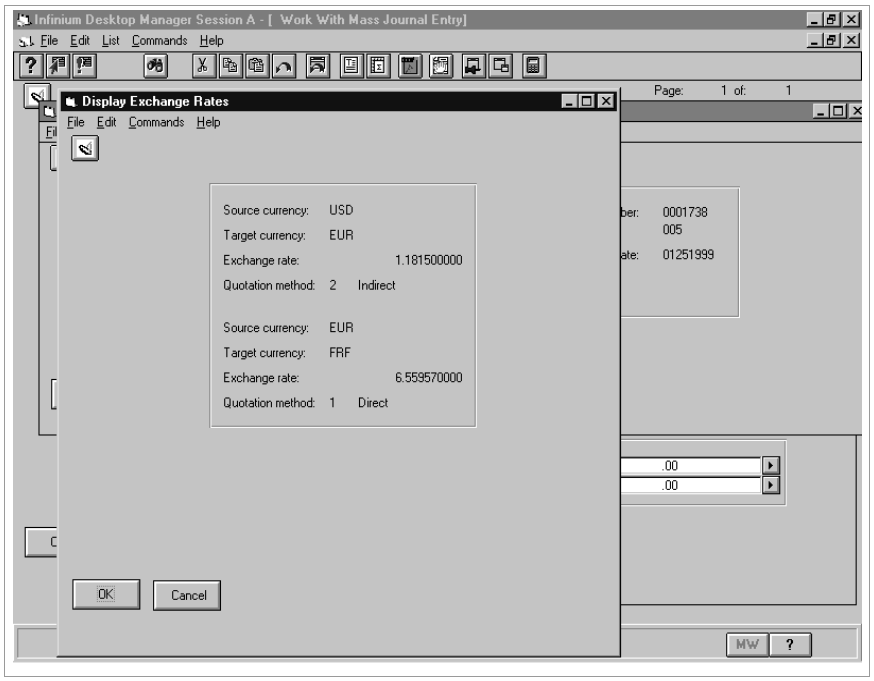


Figure 12-2: Display Exchange Rates Pop-up screen

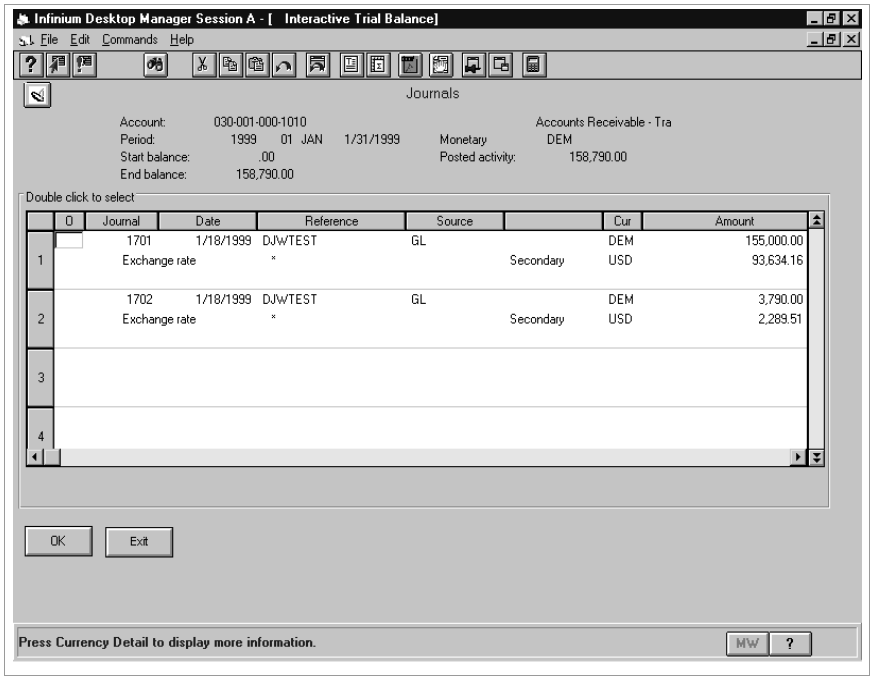


Figure 12-3: Interactive Trial Balance screen

To display a specific exchange rate, place your cursor on the exchange rate text and press Enter.