Microsoft Dynamics NAV

GENERAL LEDGER

General Ledger is the central application area of Financial Management in Microsoft Dynamics™ NAV, where all financial information is posted, summarized, and reported.

Key Benefits:
- **Generate complete audit trails.**
- **Make reports using historical data.**
- **Show amounts in an alternative currency on financial reports such as VAT reports, annual reports, and income statements.**
- **Define an unlimited number of formats.**
- **Automate procedures to improve workflow.**

Optimize Data Management

With its online integration and flexible work tools, General Ledger in the Microsoft Dynamics NAV* application area offers an efficient means of centralizing your company's accounting information, posting specifications, and other core data.

Online integration means that:

- Figures are continually updated.
- You can drill down throughout the system to trace the individual entries that a figure is based on.
- All users can enter and post data simultaneously.
- Input of redundant data is dramatically reduced.

Flexible work tools help you use online information in a way that is meaningful in your particular work environment. There are many facilities for both internal and external analysis, which enable you to produce a wide range of trial balances and customized financial statements. You can create intercompany transactions and you can consolidate domestic and/or foreign subsidiaries with organizational roll-ups and reporting. You can filter balances by specific criteria (such as time period, department, or project). You can view or print reports of summarized information or make a side-by-side comparison of profit centers throughout the application. And, you can tailor windows, menus, and fields to your needs.

Furthermore, you can view and print reports in an alternative currency. So, if you've converted your general ledger base currency to euro, you can still issue your annual report in any currency appropriate for your audience: U.S. dollars or Japanese yen, for example.

Total integration and flexible work tools in the General Ledger application area increase efficiency and effectiveness in your organization's work processes.

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Drill Down to the Details

Drill-down functionality and on-the-fly filters transform your chart of accounts from a passive summary to a practical instrument that offers precise statements with fully updated information. After you set up the chart of accounts exactly as you want it, you are ready to find specific aspects of your company's finances—with data from both the current fiscal year and previous years.

You can set up all the accounts that you need in the chart of accounts and add more whenever necessary. You can decide which columns of information and figures you want displayed and the order they should appear in. You can insert headings, blank lines, and page breaks wherever you wish. You can also view total accounts wherever needed. A G/L account card provides a complete summary of each account. Account numbers containing both numbers and letters can be made up of up to 20 characters.

View Continually Updated Balances and Net Changes

In the chart of accounts, you can see continually updated balances and net changes for each account. They can be combined with a filter for date, project, department, budget, and business-unit dimensions. The filters can easily be defined, changed, or canceled. And with a single click of the mouse, you can drill down to see a record of all the ledger entries that comprise a given figure.

View Balance/Budget by Period or Dimension

For each account you establish, there is a Balance/Budget window that shows budget figures and/or actual figures for the entire chart of accounts. You can also look at the figures for individual accounts. You can choose whether an amount is shown per day, week, month, quarter, year, or accounting period. Additionally, the date filter can be combined with various dimensions, such as departments, projects, or business units. When you change the settings, the figures are immediately updated according to your specifications. Just as easily, you can open a list of the entries that a figure is based on.

Track Entries Throughout the Program

Every posted G/L entry is documented, making tracking of entries efficient throughout the application. You can access a record of ledger entries in the chart of accounts. The entry lists include information about balancing entries, VAT, the effective dimensions, and more.

Each posted G/L entry is assigned an entry number plus a transaction number. Together, these give the entry a precise definition in the application. The entry numbers are the basis of the G/L registers. Entries are also assigned a source code, a reason code, and a user ID, so the source of an entry is always documented.

Work Effectively in a Multi-user Environment

The general journal, which is used for posting directly to G/L accounts, provides flexible functionality for handling international business. It gives all users rapid and simultaneous access to data and reduces the need to reenter text.

You can create as many journals as you want, for example, one for each employee. Thus employees can each work in their own general journal, with its own document number series, and all employees can enter and post data at the same time. You can choose to post either in debit and credit columns or in amount columns with credits posted as negative amounts.

You can reverse entries that were posted incorrectly. It is possible to reverse single entries as well as an entire journal of entries.

Transfer Data Easily

In the journals, you have direct access to information tables where you can select the information you need to enter in the journals. The data is transferred directly from table to journal. There is also direct access to the ledger entry list, the G/L account cards, and the chart of accounts from anywhere in the journals. You can use either the account number or the search name to enter an account in the journal.

Reduce Redundant Input

You can copy the contents of a field to another line, so you never need to retype the data. You can also enter frequently used texts from a table of standard texts. And using an extended text table, you can describe inventory items, resources, and G/L accounts—with an unlimited number of lines. You are also allowed to use a different language in an alternative text.

Enter Figures in Any Currency

The multiple-currency functionality in the program helps you perform international business efficiently. Figures can be entered in the General Journal in any currency.

After you set up a currency in the system and specify the format, amounts will always be shown in the correct format. When a foreign currency amount is posted, the appropriate exchange rate, as of the posting date, is applied. The exchange-rate adjustments can be posted to separate accounts for realized and unrealized gains and losses.

Automate Common Transactions

Transactions that occur frequently with little or no change can be posted efficiently with a recurring journal. For each line in the journal, you define the calculation method and time interval. You can assign a fixed amount to a line or choose how often the line should be posted with updated data.

Allocate Amounts

You can save time by allocating fixed amounts that are posted from a recurring journal, among various accounts, departments, or projects. The specific allocations can be determined by quantity, percentage, or value.

Check Journals Before Posting

Microsoft Dynamics NAV offers you a means of effectively managing posting and of checking journals before posting. A journal must balance before it can be posted, and by default, the system balances by date. You can, however, choose to have it balance by document as well. The balance of the amounts entered is carried forward from line to line, so imbalances can be found quickly.

See the Consequences Before Posting

Before a journal is posted, you can see how its entries will affect the liquid accounts. You can check the new balance and adjust the journal entries before posting. You can create any number of liquid accounts. Before posting, you can also print a test report on the general journal that can be used for documentation or for obtaining approval.

You can also choose to have the system check that the journal balances before the entries are posted. The posted entries are automatically saved in a register that you can print and use for documentation. If you post an entry with incorrect information, for example an inaccurate date or currency, you have the possibility to reverse the entire journal.

Manage Posting Securely

You can manage posting securely by limiting access. You can limit the dates on which posting is permitted and specify permitted dates for each employee. This gives you complete, centralized control of access to posting.

Automate Tax Handling and Documentation

All aspects of tax handling and reporting are automatically managed by the system. You have a choice of using sales tax or VAT. You can create records of sales to customers, which are used to produce a complete tax statement including information about tax rules and figures. Microsoft Dynamics NAV gives you the flexibility of posting with different tax percentages for different types of products. It also enables you to have separate sales and purchase accounts for each VAT or sales tax percentage, if necessary.

Define Accounting Periods

You can define your fiscal year as beginning on any date, and you can divide it into accounting periods. The periods can be used with budgets, statistics, and reports. At the conclusion of a fiscal year, the Close Income Statement batch job transfers the year's results to the balance sheet and at the same time balances out all the income statement accounts to zero. You can also post ledger entries for a fiscal year that has been closed. The entries are marked as prior-year entries. In addition to defining periods for closing the fiscal year, you can also set filters to view and print results for specific periods at any given time.

Choose the Currency for Standard Reports

Microsoft Dynamics NAV offers many flexible features that help you deal with the unique circumstances that were brought about by the implementation of the euro. For example, in the General Ledger, you can maintain the euro as your base currency and still issue reports to authorities in a different currency.

The General Ledger also contains standard reports for all aspects of accounting and business management: balance sheet with budget; balance sheet with preceding year, budget, journals, registers, chart of accounts and detail trial balances; sales tax or VAT; account schedules; intercompany postings; and consolidation and financial statements.

Create Customized Reports

With account schedules, you can define and format an unlimited number of alternative reports with data from the General Ledger. For example, if you have an account schedule with the net change and the budget, you might want to define a new column in which the program will calculate and show the difference between these two.

In an account schedule, you combine accounts and totals from the chart of accounts to produce exactly the report that you need. You can create as many schedules as you wish and save them in a table, so you won't have to go through the whole process the next time you need that specific type of information.

Furthermore, you can avoid having to export your figures to another program by performing calculations on rows and columns using standard arithmetic operators and parentheses (*,/,+,-).

For each column, you can choose if you want to view or print the net change, balance, beginning balance, year to date, rest of year, or entire fiscal year. For each row, you can decide if you want to summarize a range of G/L accounts or if the row should be a total of the other rows. Each time you view or print the report, the program makes an on-the-fly calculation, updating the columns you have defined. You can also apply filters for date, department, project, and business unit dimensions. You can view predefined key performance indicators (KPIs) using a simple bar chart diagram, and drill down into the details.

Create Detailed Budgets

You can create budgets with a breakdown of every general ledger account and every total in the chart of accounts. Once you have created a budget in a matrix window, you can print a balance compared to the budget, showing variances by percentages. The budget can be defined for a day, week, month, quarter, year, or any accounting period you may wish to define. Budgets can also be made for any number of years ahead and can be based on department, project, or business unit. There is no limit to the number of budgets you can assign for a given period, and you can always compare the original budget with any number of revised budgets. For each budget, changes in the figures are registered and a summary of each change, identified by dimension, is compiled. A budget can be copied, wholly or partly, to another period, department, project, or company.

Navigate Throughout the Program to Review Documents

The Navigate function is an online facility in Microsoft Dynamics NAV that saves both your accountant's and your employees' time in their daily work. When you click Navigate, you are shown a complete record of ledger entries with the same document number and date as those posted in various application areas. The Navigate function offers a quick and easy way of reviewing a document.

Combine Subsidiaries' Financial Statements

This feature helps you to tailor your financial statements to match your company's particular structure. You can consolidate domestic subsidiaries, foreign subsidiaries, or both. Different chart of accounts structures can be consolidated into a merged or parent company in Microsoft Dynamics NAV. Microsoft Dynamics NAV handles consolidations on a departmental basis, on a project basis, or by groups (consolidated companies). You can choose which translation method to use when translating the G/L account from a foreign entity. For example, you can translate a foreign entity's financial statement using the transaction-date currency exchange rate. Microsoft Dynamics NAV also handles partial ownerships, different fiscal years, and exchange-rate issues for foreign subsidiaries.

You can also carry out eliminations from the companies in a journal. There are special reports that show the effect of the eliminations before you post. In addition, data can be exported from subsidiaries for consolidation in a group financial statement.

Save Database Space

Data from closed fiscal years remains stored in the database and can be included in balances and statistics whenever you wish. But if you want to conserve space in the database, you can compress portions of the data. This is done by compressing several ledger entries into one. For example, a result can be contained in one entry per month, per account. You set the specifications for compression yourself. For example, you can choose whether to keep the various dimensions on the posted entries.

For more information about General Ledger in Microsoft Dynamics NAV, visit:
www.microsoft.com/dynamics/nav

DATA SUMMARY SHEET

Key Features	Description
FlowFields and Lookup Buttons	Use FlowFields to receive the most up-to-date financial data: ▪ The system continually updates and recalculates contents of a FlowField online. ▪ You can drill down from all FlowField amounts to view which entries were included in the calculation of the amount. ▪ Use the Navigate feature to see a summary of the number and type of entries with the same document number as a particular entry. Specify which information should be displayed in a window by using filters on FlowFields and tables: ▪ You can set a table filter on one or more fields in a table. For example, you can specify that only German customers should be shown in the Customer List window. ▪ You can use filters on FlowFields to limit which entries are used in calculating the amounts or quantities presented in a FlowField. For example, you might exclude entries from certain departments from being part of a FlowField calculation. Lookup buttons in many fields give you direct access to information in a table (for example, from a journal line): ▪ You only have to enter information correctly once, and it can be reused consistently on all later occasions. ▪ Data input is quicker because you don't have to reenter information.
Dimensions	▪ Define an unlimited number of dimensions and dimension values at any time. ▪ Name dimensions as you please, so that your dimensions setup reflects the specific needs of your company at all times. ▪ Set up dimension value hierarchies to reflect your reporting and accounting needs. ▪ Use defaults effectively to avoid a lot of manual data entry and ensure that the desired dimensions data is always posted. ▪ Use analysis views to investigate relationships between dimensions and monitor performance. ▪ Attach an infinite number of dimensions to each budget entry.
Flexible Accounting Periods	Define any starting date for the fiscal year and specify your own accounting periods with an unlimited number of periods of any duration: ▪ For example, you can divide your fiscal year into quarterly periods, monthly periods, or daily periods. This can be effectively used to have your accounting periods match seasonal variations or local accounting requirements. ▪ Use filters to view and print financial data across periods, regardless of starting and closing dates. Transfer income statement balances to your balance sheet with ease using the Close Income Statement batch job: ▪ Closing entries can be created per business unit, department code, and/or project code, or per G/L account, and are retained by the program in a specified journal

Key Features	Description
	for scrutiny before posting. ▪ Closing entries are sorted and marked, making them easy to view and filter on. ▪ The batch job can be carried out as many times as necessary so you can make corrections to your income statement, even after transferring balances to your balance sheet. Securely close your fiscal year while retaining the flexibility to ensure correct accounting data: ▪ Post prior-year entries and adjust entries even though a fiscal year is closed. Both entry types are marked, making them easy to view and filter on.
Foreign Trade and Currency Management	▪ Maintain general ledger in two different currencies so you can view balances online and print financial reports for two currencies simultaneously. ▪ Invoice a customer or a vendor in an unlimited number of currencies. ▪ Manage entire customer and vendor accounts in a foreign currency. ▪ Define an unlimited number of currencies and determine the way in which foreign currency amounts are rounded and posted. ▪ Set up relational exchange rates in the format applicable in your country.

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