Viewpoint
Jobpac Connect™

Chart of Accounts – Core Features
User Guide
Version: 1.0

Document Control Table

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Change History

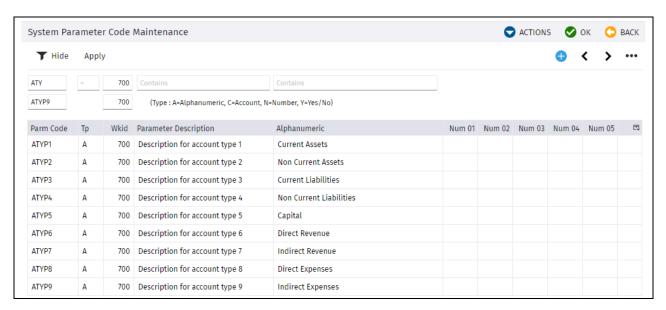| Version	Date	Author	Description of Changes
1.0	30/04/2022	DMB	Initial Release

Table of Contents

Introduction

Every workid in Jobpac is centred on a General Ledger Chart of Accounts. This is a means of classifying all financial transactions for the company. In order to maintain consistency across workids and also allow for consolidation report across workids, it is essential a central Master Chart of accounts is setup, and then each workid creates their own set of accounts based in this Master.

This document explains principles and Concepts. The Detail of how to undertake GL transactions is contained in the General Ledger User Guide.

Master Chart of Accounts Structure

Each entry in master chart of accounts is linked to a Type of Account. These types are an accounting standard and are listed below. The description of the type can be changed by the parameter ATYPx.
These are part of the standard Jobpac Implementation, and the descriptions general do not change.

Parm Code	Tp	Wkid	Parameter Description	Alphanumeric	Num 01	Num 02	Num 03	Num 04	Num 05
ATYP1	A	700	Description for account type 1	Current Assets					
ATYP2	A	700	Description for account type 2	Non Current Assets					
ATYP3	A	700	Description for account type 3	Current Liabilities					
ATYP4	A	700	Description for account type 4	Non Current Liabilities					
ATYP5	A	700	Description for account type 5	Capital					
ATYP6	A	700	Description for account type 6	Direct Revenue					
ATYP7	A	700	Description for account type 7	Indirect Revenue					
ATYP8	A	700	Description for account type 8	Direct Expenses					
ATYP9	A	700	Description for account type 9	Indirect Expenses					

The Chart of accounts is divided into two major components:

Balance Sheet Accounts   Types 1 to 5
Profit and Loss Accounts (P&L)   Types 6 to 9

Balance sheet accounts provide a snapshot of all the assets, liabilities, and equity that the company owns at the end of each month. The balance sheet changes every month as new transactions are posted, so every month's picture will be a little different. Looking at balance sheets for prior months gives you a history of what the company looked like back in those months.

Balance sheet accounts are ongoing. They do not re-start at the beginning of each year. i.e. the closing balance for balance sheet accounts, is the opening balance in the next year. This is different to P&L accounts

Profit & **Loss accounts**, also known as the Income statement, provide a financial statement that summarizes the revenue and costs incurred by an organization during the financial period and is indicative of the financial performance of the company by showing whether the company has made a profit or incurred losses in that period.

Profit and loss account balances to date are not on-going. The opening balances for each account are reset to zero at the beginning of each year. The detail still remains for the previous year. This is different to Balance sheet accounts.

Example Master Chart of Accounts

This example is a very cut down version of a Master Chart of Accounts. Jobpac has a sample Master Chart that we use for implementation for new clients. However some clients like to use their own. Whatever is used, the Types of 1 to 9 are always used.

NB. A good numbering Standard, even if the client is using their own Chart of accounts, is to make the first digit of the Master Chart number the same as the Account type, and stick to 4 characters in length. This make it easy to know what type an account number is.

There is a column called Control Account. This can have A, B, I, J,

- B = Balance Sheet e.g., Debtors, Creditors, Retention – restricts transactions to subsidiary ledger transactions (i.e. not general journals).

- J = Job Costing, restricts transactions to job cost/revenue transactions only.

- I = Intercompany, restricts transactions to intercompany.

- A = Assets, restricts transactions to Assets.

Account	Account Description	Account Type	Balance Sheet/ P&L Account	Control Account
1101	Main Bank Account	1	B	
1140	Petty Cash	1	B	
1301	Trade Debtors Control	1	B	B
1550	Retentions Held	1	B	B
1601	Uncertified Claims	1	B	
1602	Working in Progress (BFM)	1	B	
1851	Directors Loan - Current	1	B	
2122	Plant Accum Dep	2	B	
2131	Motor Veicles at Cost	2	B	
2132	Motor Vehicles - Accum Dep	2	B	
2142	Office Equipment at Cost	2	B	
2151	Equipment Accum Dep	2	B	
3011	Trade Creditors Control	3	B	B
3021	Trade Creditors Retention	3	B	B
3099	Accrued Costs (BFM)	3	B	

3401	GST Payable to ATO	3	B	
3402	GST Receivable From ATO	3	B	
3451	Annual Leave Entitlements	3	B	
3453	Sick & Personal Leave Entitlements	3	B	
3551	Dividends	3	B	
3553	Provision for Income Tax	3	B	
4101	Bank Loan - CBA	4	B	
4201	Long Service Leave Entiltlements	4	B	
4213	Loan from ABC	4	B	
5201	Retained Earnings Prior Years	5	B	
5202	Retained Earnings Current Year	5	B	
5308	Issued capital	5	B	
6001	Contract Works revenue	6	P	J
6010	Sundry Contract Revenue	6	P	J
6099	Accrued Revenue - BFM	6	P	J
7006	Other income	7	P	
7009	Interest Income	7	P	
8001	COS-Labour	8	P	J
8002	COS-Subcontract	8	P	J
8003	COS-Materials	8	P	J
8004	COS-Plant	8	P	J
8007	COS-Other	8	P	J
9111	General & Administrative Expenses	9	P	
9121	Accommodation	9	P	
9141	Accounting Fees	9	P	
9271	Computer IT	9	P	
9364	Marketing	9	P	
9381	Motor Vehicle Expenses	9	P	
9432	Taxation	9	P	
9481	Local Travel Flights	9	P	

Modifying the Master Chart of Accounts

If a new GL account is required in a Workid, it first must be setup in the Master Chart of Accounts.

Menu path is: **Finance>General Ledger>Maintain Accounts>Maintain COA Master**.

Just enter the new account and description in the row at the bottom. Existing Descriptions, and Control Account flags can be changed on the screen.

Once entered, the GL account for the workid can then be set up.

NB.   If any changes are made to the Master Chart of Accounts, consolidations must be rebuilt.

Chart of Accounts – Core Features

Workid General Ledger Maintenance

General Ledger Account Structure

Each account is identified using a unique account code. The account code can contain up to ten alphanumeric characters. The following is an example of a General Ledger Account code structure:

- Work ID – 2 digits
- Profit Centre – 2 digits
- Master Account – 4 digits
- Sub-account suffix – 2 digits.

The use of a Master Account structure across Work IDs ensures that like accounts are consistent across Workids. This facilitates summary level reporting when consolidating financial statements across Work IDs.

NB. This is just an example. Clients can structure the GL Accounts as they wish.

Setting up or Modifying GL Accounts

GL accounts can be setup manually

Menu is: Finance>General Ledger>Maintain Accounts>Maintain GL Accounts>Add/Modify GL Account.

New accounts can be added, or existing ones modified. There is an upload available for new accounts or modifications. In the upload spreadsheet, only the GL account number is mandatory, the rest of the data is picked up from the Master Chart of Accounts. If an Account Name is used, this will override the name on the Master account.

Budgets for the current financial year can also be uploaded using this spreadsheet. The monthly budget amounts must exactly add to the total for the year (YTD Budget)

Budgets for the next financial year can be loaded using the Maintain budgets menu option. You need to nominate the year you are loading to. These are loaded to the next year, and will become available when the current month is rolled to the next year.

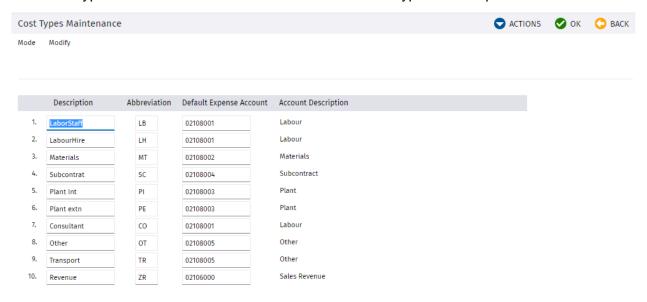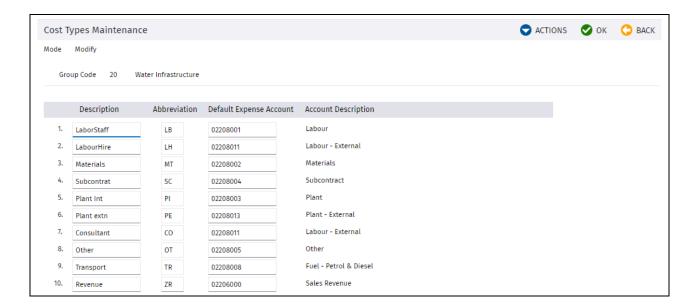| |
|---|
| *NB.   In Jobpac,   the year 2020 means   2020/2021,   2021 means   2021/2022* |

Chart of Account Links to other Modules.

Most modules have links to specific GL account numbers. Two of the important ones are links with Jobs for Job costing, and links with payroll via GL Complements.

Job Costing Links

Job Cost Types can be linked to GL accounts via the Cost Types menu option.

	Description	Abbreviation	Default Expense Account	Account Description
1.	LaborStaff	LB	02108001	Labour
2.	LabourHire	LH	02108001	Labour
3.	Materials	MT	02108002	Materials
4.	Subcontrat	SC	02108004	Subcontract
5.	Plant Int	PI	02108003	Plant
6.	Plant extn	PE	02108003	Plant
7.	Consultant	CO	02108001	Labour
8.	Other	OT	02108005	Other
9.	Transport	TR	02108005	Other
10.	Revenue	ZR	02106000	Sales Revenue

Different GL accounts can be mapped to Job Groups. This is a key component for setting up Profit Centres. In the example below, the Job Group CI is linked to the third and fourth digits of the GL account.

Group Code   20   Water Infrastructure

	Description	Abbreviation	Default Expense Account	Account Description
1.	LaborStaff	LB	02208001	Labour
2.	LabourHire	LH	02208011	Labour - External
3.	Materials	MT	02208002	Materials
4.	Subcontrat	SC	02208004	Subcontract
5.	Plant Int	PI	02208003	Plant
6.	Plant extn	PE	02208013	Plant - External
7.	Consultant	CO	02208011	Labour - External
8.	Other	OT	02208005	Other
9.	Transport	TR	02208008	Fuel - Petrol & Diesel
10.	Revenue	ZR	02206000	Sales Revenue

Payroll Links

In Payroll, Departments, Divisions, Locations can be set up and assigned to Employees. Then Via a GL Complements table, prefixes or suffixes can be established for a combination of Departments, Divisions, and Locations.

In the example below, an employee in Department Q, that used a Transaction code of 1, would have a 302 in front of the 5902, giving an account No of 3025902.

PAYROLL GENERAL LEDGER INTERFACE   ACTIONS   OK   BACK

< > ...

DEPARTMENT CODE	DIVISION CODE	LOCATION CODE	DESCRIPTION	G/L ACCOUNT	COMPANY TAX CENTRE
N			NEW SOUTH WALES	102	
Q			QUEENSLAND	302	
V			VICTORIA	202	

Company Transaction Report

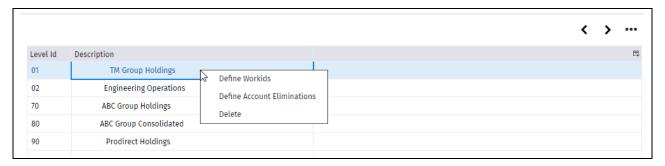| Transaction Code	Transaction Group	Description	Transaction Type	Taxable Flag	Group Tax Code	Payroll Tax Code	Rate	Type	G/L Account	Suffix
STL		Student Loan	TXA		00	0.00			202223	N
TST		Testing Leave	LEV		01	1.00			202311	N
1		SHELL-MAINTENANCE NORMAL TIM	NT		00	0.00			5902	S
10		SHIFT APP NORMAL TH	NT		00	0.00			216391	N

Consolidation Reporting.

Financial reporting, i.e. Trial Balance, Balance Sheet, and Profit and Loss Statement, can be done across workids. Consolidations can be setup.

System Admin>Configure Modules>General Ledger>Define Levels.

The workids that comprise the consolidation are nominated here.

Level Id	Description			
01	TM Group Holdings	Define Workids		
02	Engineering Operations	Define Account Eliminations		
70	ABC Group Holdings	Delete		
80	ABC Group Consolidated			
90	Prodirect Holdings			

Consolidation Level   01   TM Group Holdings

Wkid	Work Id Description	%equity	Exchange Rate
621	*SB TM Properties P/L 621	100.00	1.000000000
622	Viewpoint Training Pty Ltd	100.00	1.000000000
623	*SB TM Corporate Services Pty Ltd 623	100.00	1.000000000
730	*SB Property Development (NSW) 730	100.00	1.000000000

Joint Ventures where there is a % equity only, and Workids in different currencies can be accommodated.

NB.   If any changes are made to the Master Chart of Accounts, or new consolidations added, or existing consolidations changed, consolidations must be rebuilt.

Menu path is: System Admin>Configure Modules>General Ledger>Apply Definitions

Account Eliminations

When one Workid does work for another Workid, it is possible to setup GL accounts to record these amounts in each workid, and then class them as elimination accounts. Elimination accounts are excluded from Consolidation reports, so revenue and cost is not added twice in the final report.

Consolidation Reporting Levels

Consolidation reports can be run for different summary levels. These are defined in

 System **Admin>Configure Modules>General Ledger>Define Account Summaries.**

The ** means these characters are summarised.

Periods on the General Ledger

Period Representation

Every transaction holds a period in the form YYYYMM.   For example 202101 represents the first period in the financial year 2021/2022.

This may be any month depending on the FACTOR parameter.
    If FACTOR = 0, then 202101 is JAN 2021 (European Standard)
    If FACTOR = 3, then 202101 is APRIL 2021.   (NZ Standard)
    If FACTOR = 6, then 202101 is JULY 2021. (Australian standard)

The FACTOR parameter can be 999999. There is a small number of clients with this setting. It comes about when a client want to change the financial year from JULY to JUNE   to   JAN to DEC. A table in Jobpac determines what the period on file represents. The file is PERIODMAP. This is quite complicated, and you should seek advice if required.

Period Posting Rules

Account Payable	Can post to current AP period or one period in the future. Cannot post to prior period.
SC Payments	Can post to current AP period or one period in the future. Cannot post to prior period.
Account Receivable	Can post to current AR period or one period in the future. Cannot post to prior period.
Payroll	Can post to current PR period or one period in the future. Cannot post to prior period.
Stock	Can post to current ST period or one period in the future. Cannot post to prior period.

Journals
- Can post back to any period in the current financial year or the previous financial year providing Job Costs or Revenue are not involved. Cannot post prior to that without consultant support.
- If a Job is involved, then general journals can only be posted to the current Job Cost period.
- If a Job is involved, then Retrospective Job journals (make available by parameter GLRJJN) can only be posted to the current BFM period.
- If a Job is involved, then reversing journals can only be posted to the current Job Cost period. The reversing side of the journal will update the General Ledger immediately, but the job cost update will be held in abeyance in file JPACCJJP until Job costing is rolled over, and it will then update the job for period to which it was rolled.

NB. There are configuration options to allow back posting of Job costed journals. Only consultants should use these. See parameter JRNVLD.

General Ledger Reporting

There are three major GL Reports

1. General Ledger Trial Balance
2. Balance Sheet Report
3. Profit and loss Report

There are different versions of these report with different layouts.

General Ledger Trial Balance

This report prints the current balance for the period of the report, for every GL Account. It uses the GLSUMMARY Report for its information. It should always add to zero. It reports the position at the end of the last period, and for the report period. If it does not add to zero for the reporting period, check the last period total. If that is not zero, you should run the report for prior periods until you get a report that is in balance. You then know what period it went out of balance.

To start the investigation process, run the System Admin report 'Check for GL Batches out of Balance'.

If there is overall out of balance, find the Batch no and check the batch.

If a batch is out of balance, **rebuilding the GL will not fix the problem**. The problem will be with an existing transaction or a missing transaction, and the transaction must be fixed first. An AP and AR Trial Balance can also be run to see if there is an imbalance in these reports. If there is, it can indicate which module the problem is in.

If there is no batches out of balance, then a rebuild of the GL may fix the problem.

When the problem is fixed, run both a GL Trial Balance and a Balance Sheet Report to check if both are in balance.

Balance Sheet Report

This report prints the current balance for each Balance Sheet account, i.e. Types 1 -5. In addition, it prints retained earnings from prior years, plus Current Year Earnings. It uses the GLACCOUNT (GLSUMGLP logical) file for its information.

You will notice that the Current year Earnings does not have a GL account. This is simply the YTD Profit and Loss amount for the period of the report. This is held in the PLSUMMARY file.

Working Capital + Excess Assets/Liabilities must equal Total Capital

If the Balance Sheet does not balance, a message is printed at the bottom of the report.

In an OOB situation, it is often the Current Year Earnings that are incorrect. Run a P&L for the period in question, and check the final YTD margin with the Current Year Earnings. If they do not match, then a GL rebuild may fix the problem.

Profit and Loss Statement

This prints the Profit and Loss Accounts only (Types 6-9). The first two sections of this report show the months Direct Revenue and Direct Cost, and also the YTD Revenue and Cost. This Revenue and Cost and Margin should reconcile with the YTD Revenue and Cost from Projects. The BFM Revenue and Gross Margin Report (Excel option) is the best report to use to reconcile to the P&L Report.

Rebuilding the General Ledger

Before you run a GL rebuild, you must end the BFM Subsystem, and check no user is using the GLSUMMARY file. Do this using the following command

wrkobjlck glsummary *file

It is recommended that these GL Rebuilds are done after hours, as locking will occur if other users are using the GL files.

If you are going to do a GL Rebuild, then after it is complete, use the Integrity option

Call JPRECONMNP

This can Rebuild any opening balances on the GLACCOUNT file (GL Rebuild does not rebuild this file)

Rolling Over the General Ledger to the Next Period

Rolling to next period, but not EOFY.

If the General Ledger is rolled to the next period, and it is not EOFY, then the period on the system parameter GLAP changes to the new period.

Nothing Else happens.

Rolling to Next Year.

When the GL is rolled to the next year, the following happens:

See further below for details of these files.

GLSUMMARY File.   A new record is created for each GL Account

GLSUMGLP File.   Current values are moved to Previous values, Current Values are zeroed out (unless these were forward transactions) and the opening balance is adjusted.

PLSUMMARY File   A new record is created for that year. All values will be zero unless there was forward posted P&L transactions from the prior year.

Retained Earnings is also adjusted. See next section.

Retained Earnings

Retained Earnings is the sum of the Profit/Loss balances for all prior years of the company. E.g. If the current period is JUNE 2021, the retained Earnings is the sum of profit and loss statements for 2019/2020 and all prior years.

When the General Ledger is rolled into a new year, say rolled into 2021/2022, the total of the P&L for 2020/2021 is calculated, and a one sided record is written to the GLDETAIL file with a description of 'Resulting Profit/loss Figure', and the Retained Earnings GL Account (nominated in parameter RETERN) is updated. No Batch number is written to this GL Transaction, and it has a period of the last month of the Year it represents. In the example above this will be JUNE 2021.

If a journal is then posted back to the prior year, and it had a P&L impact, then Jobpac will automatically adjust the retained earnings. A new one sided journal is written to the last period of that year with a description 'P&L Transfer Backpost Adjust'.

If a general Ledger rebuild is run, all these single sided entries are combined to a single Retained Earnings for each Financial year. These are assigned a batch no of X0001.

Journals can be done to the retained earnings account. These remain untouched by the GL Rebuild Process.

File Structures for General Ledger

The master chart of accounts resides in each production and test database. The file does not have a Firm code, and is used by all Workids in the Database. File name is GLCOAMAST.

NB.	The standard used in Jobpac to represent a financial year is:
2019	**Represents 2019/2020 financial year**
2020	**Represents 2020/2021 financial year**

There are four main files that hold General Ledger data

GLSUMMARY

This holds a record for each financial year for each GL account.

Structure   Opening Balance (Total of Prior Years)
        13 Monthly totals for the financial year
        (The 13th Monthly total used for forward posted transactions)
        13 Monthly totals of Credits for the financial year
        13 Monthly totals of Debits for the financial year
        13 Monthly totals of Budgets for the financial year
        13 Monthly totals of Forecasts for the financial year

When the End of Year is rolled over, a new record is created for each GL Account

GLSUMGLP (or GLACCOUNT)

There is one record for each GL Account

Structure   Key Data, e.g. Description, Type, Profit Centre
        13 Monthly totals of Debits for the **current** financial year
        13 Monthly totals of Credits for the **current** financial year
        13 Monthly totals of Debits for the **previous** financial year
        13 Monthly totals of Credits for the **previous** financial year
        13 Monthly totals of Budgets for the **current** financial year
        13 Monthly totals of Budgets for the **previous** financial year
        Opening Balance (Total of prior Years)

When the year is rolled over, Current values are moved to Previous values, Current Values are zeroed out (unless these were forward transactions) and the opening balance is adjusted.

PLSUMMARY

These is one record for each financial year. This file holds totals only of P&L accounts. Its main purpose is to provide the Current Year Earnings on the Balance Sheet Report.

Structure

13 Monthly totals of P&L Credits for the financial year
13 Monthly totals of P&L Debits for the financial year
13 Monthly totals of P&L Budgets for the financial year
13 Monthly totals of P&L Forecasts for the financial year

When the year is rolled over, a new record is created for that year. All value will be zero unless there was forward posted P&L transactions from the prior year.

GLDETAILS

This file holds details of every financial transaction processed in Jobpac. The sum of these transactions for any month must add to zero.

This file hold two Firm Codes, one just called Firm code, and the other Costing Firm code. These may be different when costing across Workids. The GL account on the file is always related to the Costing Firm code. The Firm code is the company where the transaction originated.