Softland ERP
Financial Area//

General Ledger Module

The General Ledger module of Softland ERP's Financial Area works based on the financial accounts list that will be associated in the accounting entries generation.

General Ledger is integrated with other modules in the Financial, Commercial, Manufacturing, Operations and Human Resources and Payroll Areas for automatic reception of accounting entries, and it provides them with the accounting catalog so that such entries are generated.

Features:

1. **Module parameterization according to its characteristics**
- Configurable structure of financial accounts of up to 25 alphanumeric digits.
- Allows total or partial copy of the accounting catalog to other companies, if they have the same account mask.
- Use of cost centers.
- Measurement units management in accounting terms, so that the financial account balance is known, both in amounts and measurement units involved in the transactions.
- Possibility to work with two types of accounting: tax or corporate.
- Dual currency optional management (functional or local and dollar or report), with automatic and flexible conversions implemented in accordance with International Financial Reporting Standards (IFRS).
- The system makes it possible to automatically balance entries as well as to use reference numbers to facilitate

the creation of restricted entries to certain amounts. It also has a feature that helps the user determine when an entry is unbalanced, the missing amount to balance it, the total sum of the receivable and payable amounts and its comparison with the reference number.

2. **Easy handling of basic operations and automation of transactions**
- It can create accounting packages in the accounting book, on which reading and writing privileges can be defined to group entries linked by related or similar characteristics belonging to the same accounting process type, facilitating the entry application process to the General Ledger.
- For further details on general accounting, it is possible to define entries subtypes, allowing querying the information in a faster and orderly manner.
- It allows summarizing an entry. For example, if the entry has several lines defined with the same debit account, this new option allows unifying them into a single line

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and adding up all the amounts into a total amount. This functionality is equally applied to the credit account.

- It allows visualizing and analyzing entries grouped by cost center, financial account, tax identification number (TIN), common source or reference.
- It defines recurring entries templates with specific characteristics, either of amount editing or of a percentage that is often used, which can be inserted in the accounting packages whenever required.
- It's possible to create distributed entries templates for their supplies, which allows to set a movement that varies according to other financial accounts' balances or movements in a given period of time.
- It allows setting deferred entries templates, payment regularity and accounts that should be affected by such movement of assets, liabilities, income and expenses.
- The system can cancel and reverse entries on the General Ledger depending on whether the period is open or closed so financial statements are not modified.

3. Easily generated queries and reports

- It's possible to make balance inquiries of financial accounts and transactions made in a given period from several perspectives: by cost center, accounting period, TIN and average balances. Furthermore, these queries can be made before or after the accounting year-end.
- Predefined accounting reports, including: trial balance per financial accounts and cost centers, balance sheet and income statement accounts.
- Compatibility with Microsoft Office® to generate customized financial statements and accounts consolidation.
- It has an option called Macro in Excel that allows the user to generate financial statements by running data mining functions from the Accounting module.

4. Special processes supplement

a) Consolidation of companies
- Capability to reflect in the company's accounting the transactions result of one or more companies through the consolidation process, which in turn may reflect tax, corporate or both movements.
- Each company can be assigned to the company to be consolidated to, allowing an unlimited number of levels and combinations.
- Consolidation for companies with the same or different accounting catalogs.
- Easy consolidation process to reverse a consolidated period when sending an adjustment movement to other companies.
- It allows reversal of consolidation entries.

b) Exchange differential
- It allows setting different parameters per financial account for the exchange differential process, for example, to run them from accounting or subsidiary, conversion rate, or whether to follow the International Financial Reporting Standards (IFRS).

c) Microsoft Office Excel interface
- It can import entries to the accounting book from a text file or Excel.
- It can export entries from the General Ledger to a text file, so other companies can use it.

d) Annual closing
- It requires no special closings, except for the end of period closing done separately for tax and corporate accounting.

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- It allows the introduction of retroactive entries according to the user privilege level.
- Transactions record in new tax periods, even without closing of the previous period.
- It also allows transactions entry of closed annual periods by subsequently adjusting the closed annual period, to ensure information integrity in accordance with the level of user privileges.
- It has functions to write audit trails for determining the origin of the transactions and to monitor the registration activities and amendment of accounting data.

e) Subsidiary ledger reconciliation
- Process guided by a wizard that allows financial accounts reconciliation between the General Accounting module and its subsidiaries: Accounts Receivable, Accounts Payable, Banking, Fixed Assets and Inventory.

- Information details of the document and entry number presenting problems over differences between the subsidiary and general accounting.
- Information details of the transaction number directly entered from General Ledger, other subsidiary product, recorded or not outside the period being analyzed.
- It creates a query folder in each accounting entry that provides a summary per cost center and financial account.
- It saves the subsidiary ledger reconciliation in the database and prints a report for physical backup.

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