MODULE 5: SET UP GENERAL JOURNAL TEMPLATES AND BATCHES

Module Overview

With general journals, users can enter data in both general ledger accounts and other accounts, such as customer, vendor, and bank accounts. The system includes other journal templates throughout, but those can only be used to enter data in the accounts of the specified area, such as job accounts, fixed assets accounts, and cost accounts.

There are several types of general journal templates, such as the cash receipt journal and the sales journal. Each type has a separate page with particular functions and the fields needed to support those functions.

If necessary, users can set up multiple journal batches (individual journals) for each journal template. For example, employees in the accounts receivable department can each have their own cash receipt journal.

Objectives

The objectives are:

- Explain the purpose and organization of journal templates and journal batches.
- Create general journal templates and general journal batches.

General Journal Templates, Batches, and Lines

The three layers of the general journal entry system are:

- General Journal templates
- General Journal batches
- General Journal lines

General Journal Templates

Journals are used for different types or groups of entries, such as purchases, payments, sales, and receivables. Each journal type is set up with its own journal template. Journal templates provide the basic journal structure where users can specify default information for all batches created using the template.

General Journal Batches

Journal batches are created based on the journal templates. All journal batches created from a specific template have the same structure, default settings, and information defined in the template. However, since these settings are defaults, users can change them for a specific journal batch.

Batches are typically used to separate one user's entries from another. For example, Phyllis and Cassie both work on general journal entries. Phyllis typically makes entries and posts them later when they are approved. To keep Cassie's entries from becoming mixed with Phyllis' entries, separate batches can be assigned to the two users.

General Journal Lines

Journal lines hold the values that users want to post as journal entries, including account number, posting date, and amount.

General Journal Template Fields

To open the **General Journal Templates** page, follow these steps:

1. In the navigation pane, click **Departments**.
2. Click **Administration**, and then click **Application Setup**.
3. On the **Application Setup** page, click **Financial Management**, then click **General**, and then click **Journal Templates**.

The **General Journal Templates** page contains the basic journal templates set up for most companies.

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FIGURE 5.1: GENERAL JOURNAL TEMPLATES WINDOW

The fields shown in the following table are included in the **General Journal Templates** page.

Field	Description
Name and **Description**	Provides unique identifier and short description for the template.
Type	Determines the structure and functions of the journal page. Types: • General • Sales • Purchases • Cash receipts • Payments • Assets • Intercompany • Jobs
Recurring	Determines if the journal is to be used to make recurring entries. Each journal type can be used for recurring purposes. Typically, journal lines are removed from the journal once they are posted. Recurring journals however keep the journal lines for reposting during the next period. As a consequence, the **No. Series** field must be blank as it will always be replaced with the posting number series. (Entries can never be posted using the same document number) How to set up and use a recurring journal will be discussed in the Finance Essentials in Microsoft Dynamics NAV 2013.

Field	Description
Bal. Account Type and **Bal. Account No.**	Identifies the default balancing account for all journal lines in all batches created under this template.
No. Series and **Posting No. Series**	Identifies the default number series (**No. Series** field) used to assign document numbers to journal lines in journal batches created using this template. Identifies the document number (**Posting No. Series** field) used to assign to ledger entries posted from journal batches created using this template. The following setup combinations are possible: • **No. Series** field and **Posting No. Series** field are left blank. Document numbers must be manually entered in the journal lines and the same manual number will be assigned to all ledger entries after posting the journal batch. This is used, for example, with temporary journal postings that are not important to track. • **No. Series** field is filled in and **Posting No. Series** field is left blank. Document numbers are filled in automatically in the journal lines and the same number will be assigned to all ledger entries after posting the journal batch. • **No. Series** field is left blank and **Posting No. Series** field is filled in. Document numbers must be manually entered in the journal lines. When the journal batch is posted, document numbers from the indicated number series will be assigned to all ledger entries. • **No. Series** field and **Posting No. Series** field are filled in (with different number series). Document numbers are filled in automatically in the journal lines. When the journal batch is posted, the document number will be replaced by the next number from the posting number series and assigned to all ledger entries.

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Field	Description
	This is used, for example, with important journal postings that must be traceable.
Source Code	Identifies the point of origin for an entry and forms the basis for the audit trail. It is filled in automatically when selecting the **Type** of the General Journal template. It is assigned to all journal batches created from this template. Module 4, Set Up Trail Codes, describes how to set up and use source codes.
Reason Code	Describes why an entry was made and can be used for the audit trail. Reason codes also provide opportunities for problem patterns analysis. The selected reason code is assigned as a default to all journal batches created from this template. Module 4, Set Up Trail Codes, describes how to set up and use reason codes.
Force Doc. Balance	Specifies whether entries posted in this general journal template must balance by document number and document type. If this field is empty, the program balances the journal by date only.
Copy VAT Setup to Jnl. Lines	When selected, directs the program to automatically fill in the general posting type and VAT posting groups on the journal lines of the selected journal template with the defaults from the accounts and balancing accounts. When the check box is selected or cleared, a message appears asking if the journal batches must be updated. Click **Yes** or **No**, as applicable.
Allow VAT Difference	When selected, determines the manual adjustment of VAT amounts in journals is allowed. When the check box is selected or cleared, a message appears asking if the journal batches must be updated. Click **Yes** or **No**, as applicable. Finance Essentials in Microsoft Dynamics NAV 2013 discusses the correct set up and use of VAT differences**.**

There are additional hidden fields on the **General Journal Templates** page. Use the **Choose Columns** function to display these fields, and press **F1** to access online help for more information.

General Journal Batch Fields

To open the **General Journal Batches** page, on the **General Journal Template** page, on the **Navigate** tab, click **Batches**.

For each general journal template, a default general journal batch is automatically created, containing default information from the journal template. Click **New** to insert a new line.

FIGURE 5.2: GENERAL JOURNAL BATCHES WINDOW

The following fields from the **General Journal Batches** page are filled in with defaults from the corresponding journal template, but can be changed for each batch individually.

- Bal. Account Type
- Bal. Account No.
- No. Series
- Posted No. Series
- Reason Code
- Copy VAT Setup to Jnl. Lines
- Allow VAT Difference

The following setup is inherited from the corresponding journal template. These fields cannot be found on the **General Journal Batches** page and therefore cannot be changed for an individual batch.

- Type
- Recurring
- Source Code
- Force Doc. Balance

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Best Practices

Choosing between a new General Journal Template or a new General Journal Batch

Generally, a new journal template is created in the following situations:

- When setting up a new company in Microsoft Dynamics NAV2013, separate journal templates are created for opening processes and for daily postings.
- When changes occur in the following setup fields:
  - **Type**
  - **Recurring**
  - **Source Code**
  - **Force Doc. Balance**

A new journal batch can be created in the following situations:

- When different users are working simultaneously with the same journal template, a different batch can be created for each user.
- When the same journal template is used for different processes, a different batch can be created for each process. For example, the general journal is used for both correction entries and for monthly closing entries. Two batches can be created for each transaction type and, if necessary, two reason codes can be set up as defaults to each batch.
- When changes occur in the following setup fields:
  - **Bal. Account Type**
  - **Bal. Account No.**
  - **No. Series**
  - **Posted No. Series**
  - **Reason Code**
  - **Copy VAT Setup to Jnl. Lines**
  - **Allow VAT Difference**

Setting Up Different Number Series for Different General Journal Batches

Set up different number series for each journal batch whenever:

- People are working simultaneously within the different batches.
- A batch is not posted before journal lines are created in another batch from the same journal template.
  This is a result of the fact that the Last No. Used field of a number series is only updated during the posting process, not while journal lines are created. Using the same number series in the previously described situations would result in the following process (regardless of any other setup fields on the journal template or batch).
- Journal lines are created in batch A with document number.
- Journal lines are created in batch B also with document number X.
- Batch A is posted.
- Last No. Used field of the number series is updated.
- When posting batch B, a warning will appear that the document number is incorrect.
- The posting process will be stopped.

Create Journal Templates and Batches

A number of basic journal templates are set up by default, but you can create new journal templates. If you need multiple journals of a certain type, you can also create multiple journal batches for a journal template.

Procedure: Create a Journal Template

Follow these steps to create a new general journal template:

1. In the navigation pane, click **Departments**.
2. Click **Administration,** and then click **Application Setup**.
3. On the **Application Setup** page, under **Financial Management**, click **General** and then click **Journal Templates**.
4. Click **New** to insert a journal template.
5. In the **Name** field, type a unique identifier for the template.
6. In the **Description** field, type a short description of the template.
7. In the **Type** field, enter the relevant journal type.
8. Select the **Recurring** check box if this is a recurring journal.
9. In the **Bal. Account Type** and **Bal. Account No.** fields, enter the default balancing account.
10. In **No. Series** field, enter the default number series for this template.

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11. In the **Posting No. Series** field, enter the relevant number series if a different document number is required for the ledger entries than the document number on the journal lines.
12. In the **Source Code** field, change the source code if necessary.
13. In the **Reason Code** field, enter the relevant default reason code.
14. If necessary, select the **Force Doc. Balance** check box to ensure that documents balance by **Document No.** and **Document Type**.
15. If necessary, select the **Copy VAT Setup to Jnl. Lines** check box to automatically fill in the Gen. Posting Type and VAT posting groups.
16. If selected, click **Yes** or **No** as necessary to update the batches.
17. If necessary, select the **Allow VAT Difference** check box to allow the manual adjustment of VAT amounts in journals.
18. If selected, click **Yes** or **No** as necessary to update the batches.
19. Click **OK** to close the **New - General Journal Templates** page.

Demonstration: Create Two Journal Batches

Scenario: Phyllis, the accounting manager at CRONUS International Ltd., has decided to set up two general journal batches based on the general journal template:

- General Journal Batch Name and Description: Phyllis, Phyllis' Journal Batch
- General Journal Batch Name and Description: Cassie, Cassie's Journal Batch

Demonstration Steps

1. Open the **General Journal Batches** page for the GENERAL journal template.
   a. In the navigation pane, click **Departments**.
   b. Click **Administration**, and then click **Application Setup**.
   c. On the **Application Setup** page, under **Financial Management**, click **General** and then click **Journal Templates**.
   d. Highlight the line for the GENERAL template. Notice the fields that are populated for this template:
      i. **No. Series**
      ii. **Source Code**
      iii. **Force Doc. Balance**
      iv. **Copy VAT Setup to Jnl. Lines**
   e. On the **Navigate** tab, click **Batches**.

2. Create the user batches.
   a. Click **New**.
   b. In the **Name** field, type “Phyllis”.
   c. In the **Description** field, type “Phyllis' Journal Batch”.
   d. Press tab to move to the next field.
   e. Click **New**.
   f. In the **Name** field, type “Cassie”.
   g. In the **Description** field, type “Cassie's Journal Batch”.
   h. Move to the next field.
   i. Review the default values from the GENERAL journal template on both batches. Remember that these are default settings and can be changed on each batch.
   j. Click **OK** to close the **General Journal Batches** page.

Procedure: Open General Journal Batches from a General Journal

The **General Journal Batches** page can also be accessed from the **General Journal** page as follows:

1. In the navigation pane, click **Financial Management**.
2. Click **General Ledger**, and then click **General Journals**.
3. When multiple general journal templates of the type General are created, the **General Journal Template List** page opens. Highlight the line for the desired general journal, and click **OK** to open the **General Journal** page.
4. In the **Batch Name** field, click the drop-down button to open the **General Journal Batches** page.
5. Click **OK** to close the **General Journal Batches** page.

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Lab 5.1: Create a Journal Batch

Scenario

As the accounting manager at CRONUS, you want to create a new journal batch for yourself. This batch must be created from the GENERAL journal template, and none of the defaults need to be changed.

Close the open pages when finished.

Objectives

The purpose of this lab is to reinforce your understanding of the process required to create a journal batch.

Exercise 1: Create a Journal Batch

Task 1: Create a Journal Batch

High Level Steps

1. Access the GENERAL journal template.
2. Create a new general journal batch using your name.
3. Close the open pages.

Detailed Steps

1. Access the GENERAL journal template.
   a. In the navigation pane, click **Departments**.
   b. Click **Administration**, and then click **Application Setup**.
   c. On the **Application Setup** page, under **Financial Management**, click **General** and then click **Journal Templates**.
2. Create a new general journal batch using your name.
   a. Click the line for the general template.
   b. On the **Navigate** tab, click **Batches**.
   c. Click **New**.
   d. In the **Name** field, type your name.
   e. In the **Description** field, type a brief description.
3. Close the open pages.
   a. Click **OK** to close the **General Journal Batches** page.

Module Review

Module Review and Takeaways

With general journal templates, you can work in a journal page that is designed for a specific purpose. That is, the fields contained in each journal are exactly the ones needed for a particular part of the program. For example, you do not need to use the same fields when you post a sales invoice as when you post a payment.

You can create multiple general journal batches under each general journal template. That is, several batches, each with its own name, can display the same page. This can be practical, for example, if every user needs to have his or her own journal.

Test Your Knowledge

Test your knowledge with the following questions.

1. Which of the following is not part of the layers of the journal entry system?

   ( ) Journal Headers

   ( ) Journal Templates

   ( ) Journal Batches

   ( ) Journal Lines

2. On the **General Journal Templates** page, which of the following fields must be blank when the **Recurring** check box is selected?

   ( ) Force Doc. Balance

   ( ) Posting No. Series

   ( ) Reason Code

   ( ) No. Series

3. Which of the following fields is specific to templates and therefore not defaulted into the batches?

   ( ) Force Doc. Balance

   ( ) Posting No. Series

   ( ) Reason Code

   ( ) No. Series

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Test Your Knowledge Solutions

Module Review and Takeaways

1. Which of the following is not part of the layers of the journal entry system?

   (√) Journal Headers

   ( ) Journal Templates

   ( ) Journal Batches

   ( ) Journal Lines

2. On the **General Journal Templates** page, which of the following fields must be blank when the **Recurring** check box is selected?

   ( ) Force Doc. Balance

   ( ) Posting No. Series

   ( ) Reason Code

   (√) No. Series

3. Which of the following fields is specific to templates and therefore not defaulted into the batches?

   (√) Force Doc. Balance

   ( ) Posting No. Series

   ( ) Reason Code

   ( ) No. Series

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