

JD EDWARDS ENTERPRISEONE GENERAL LEDGER

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JD EDWARDS ENTERPRISEONE

PRODUCT HIGHLIGHTS

- Respond quickly to change.
- Streamline your financial operations.
- Improve financial accuracy and accountability.

The Issue: Improving Responsiveness and Accountability

You are being asked to produce more with fewer resources, which requires maximum efficiency and flexibility. How else can you meet the financial consolidation and reporting needs of a complex and changing business environment, as well as keep up with new regulations? Having the right financial foundation for your organization is critical, particularly when you must account for every penny that comes in or goes out—in every currency, in every country.

The Solution: A Flexible, Integrated General Ledger

Oracle's JD Edwards EnterpriseOne General Ledger can help you to respond to your changing environment, streamline your financial operations, and improve the accuracy and efficiency of your financial reporting. It integrates financial information from throughout your business and helps you monitor the fiscal health of your organization in real time, enforcing the consistency that translates into increased accountability and faster response.

Improving Flexibility and Responsiveness

Your business operations and strategic goals should drive the configuration of your accounting system—not the other way around. Whether you are reorganizing to adapt to changing markets, adding branches to take advantage of new opportunities, or initiating a new project, you continually face the need to revamp your reporting structure.

General Ledger is designed to adapt and grow with your business. It gives you the flexibility to tailor your reporting structure as needed, without overhauling your chart of accounts and undergoing a massive data conversion with each organizational change. By enabling you to organize your financial operations by company, business unit, and user-defined codes, General Ledger allows you to avoid the pain of reworking accounting and reporting systems every time your business changes.

First, General Ledger is set up with companies. Legal entities, nonlegal entities, reporting groups, and consolidation entities can all be set up as companies with their own fiscal date pattern and base currency. For example, if you require a balance sheet at the division, district, or store level, you can set up each of these entities as a company. Once companies are created, you can create individual business units and assign them to a company. A business unit is the lowest level at which you track revenues and expenses for your organization. A particular sales office or warehouse, a specific administrative division within your organization—any group or physical site—can be designated as a business unit.

The true flexibility of the system comes with the next step—user-defined codes. User-defined codes are used to organize and group your business units in several different ways. This capability allows you to create customized reports by grouping business units by product, geographical region, division, or any other type of grouping that you require. For example, your New York parts warehouse business unit can be assigned a product category code of “AP” (for automobile parts), a region category code of “NE” (for the Northeastern

United States), and a division category code of “WH” (for a warehouse). This powerful capability enables you to group business units in multiple ways for different reporting requirements.

Once your companies, business units, and category codes have been established, you can set up object and subsidiary accounts for each business unit that describe transaction types, such as rent expense, paper supplies expense, or sales revenue. The combination of the business unit, object, and subsidiary creates unique account numbers that together form your chart of accounts.

Now that your foundation accounting structure is established, you can take advantage of the incredible flexibility this structure allows. If your company reorganizes, expands, or merges with another company, you may need to move business units from one company to another or create new business units and move existing account detail and balances over. With General Ledger, you save time and preserve the accuracy of your data. You can automatically change your account transaction and balance tables without manually assigning a new company number to the chart of accounts or creating journal entries to transfer balances to the new company.

Data relationships can be defined to manage the data defined in these reporting attributes to ensure reporting accuracy. Based on your configuration and use of the financial system you define relationships between business unit columns and data values within those columns. These rules result in simpler, more accurate data entry, and ultimately more accurate financial reporting. When organization and grouping requirements change, these date effective rules can be automatically applied globally to facilitate the changes quickly and accurately. This built-in flexibility allows you to quickly react to changes and grow your business while preserving your data integrity.

Integrating Information to Streamline Operations

With JD Edwards EnterpriseOne, you can streamline the day-to-day functions of your accounting department. The system provides an accurate and cost-effective way of organizing, maintaining, recording, and analyzing financial information. A key element of a streamlined operation is built-in integration with other systems. In addition to its direct integration with the accounts payable, accounts receivable, payroll, and fixed assets systems, General Ledger also ties directly to our JD Edwards EnterpriseOne solutions for manufacturing and distribution.

For example, sales order updates automatically generate the general ledger transactions associated with the appropriate accounts receivable invoices. Similarly, purchase order receipts from procurement trigger corresponding updates to General Ledger. You eliminate the need to re-enter the same information and ensure the consistency of information across all departments—in real time.

Managing Global Initiatives with a Single Information Source

JD Edwards EnterpriseOne provides the flexibility to conduct business in multiple countries, languages, and currencies while maintaining an integrated view of the business through an accurate and consistent general ledger. Multinational functionality lets you:

- Accommodate country-specific practices for magnetic media processing, electronic

funds transfers, and direct bank involvement with bank statement processing capabilities.

- Maintain a chart of accounts for both a parent company and its subsidiaries to comply with statutory reporting requirements for individual countries or regions.
- Create charts of accounts with business unit descriptions in multiple languages.
- Designate different currency preferences for each company, supplier, customer, account, and employee, with automatic conversions of transactions entered in domestic or foreign currencies.
- Ensure compliance with local, regional, and national regulations.

Integration also facilitates a consolidated view of your business. For each of your subsidiaries, the General Ledger consolidation capability dynamically creates business units, accounts, and related category codes that comply with the requirements of your main reporting company. You can consolidate account balances at multiple locations and validate the information sent to the reporting company. You can also review consolidated amounts at any level of detail, in online or printed formats, at any point in time—not just at period end.

Improving Accuracy in Financial Operations and Reporting

While regulatory requirements such as Sarbanes-Oxley mandate a baseline of reporting accuracy, improving the integrity and accuracy of financial information and operations throughout your enterprise can also improve your competitive footing. The more accurate your information, the more efficient and profitable your organization will be. General Ledger helps you build an effective compliance program. You have the ability to:

- Ensure the ongoing balance of debits and credits with system-enforced balancing of all transactions at the time of entry. This capability significantly helps to cut down on user error and improves data and transaction accuracy within the system.
- Improve financial data integrity with the simultaneous creation of general ledger batches from source data originating in other JD Edwards EnterpriseOne applications.
- Strengthen internal control procedures and identify data inconsistencies by using general ledger integrity reports and other tools such as data relationships.
- Verify that batch entries correspond to the manual record of the batch through automated controls.
- Automatically edit all valid accounts at the time of transaction entry to identify the appropriate account for posting.
- Maintain audit trails back to source transactions and entries to support purge audits, invoice creation, approvals, and payroll processing.

JD Edwards EnterpriseOne Financial Management can help you to respond more quickly to your changing environment, streamline your financial operations, and improve your accuracy in financial reporting. With our solutions, you can meet today's challenging business requirements, produce more with fewer resources, and establish the right financial foundation for your organization.

Feature/Function Highlights

- Global financial foundation
- Built-in system interoperability
- Flexible accounting structure
- Multilanguage, multicurrency support
- System-enforced internal controls
- Data relationships master data controls
- Consolidations
- Flexible localization capabilities
- Multiple global tax structures
- Multiple exchange rates and types
- Multiple restatement methods
- Repeatable monthly and annual closes
- General ledger integrity reports
- Multiple restatement methods
- Ability to drill down from balance to detail
- Automatic recurring journal entries
- Flexible allocation methods

Solution Integration

This module is designed to be integrated with these JD Edwards EnterpriseOne products and suites across your operations using common tools and a Pure Internet Architecture:

- Financial Management
 - Accounts Payable
 - Accounts Receivable
 - Advanced Cost Accounting
 - Expense Management
 - Fixed Asset Accounting
- Capital Asset Management
- Human Capital Management
- Project Management
 - Contract and Service Billing
 - Project Costing
- Supply Management (Procurement)
 - Procurement and Subcontract Management
- Order Management
 - Sales Order Management
- Supply Chain Planning

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