Period End Processing (W5)

This version is superseded. Click here to view the latest guide.

PURPOSE

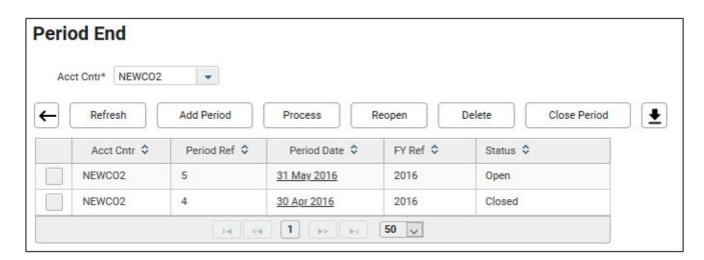
This document shows the process on how to do accounting period end processing in CS Lucas system.

WHY IS THIS IMPORTANT?

Period end processing allows system to generate additional accounting events as part of the period end closing. These events are mainly (but not restricted to) accrual journals and revaluation journals.

PROCEDURE

1. From the Journals main screen, click on Period End. The screen below displays.



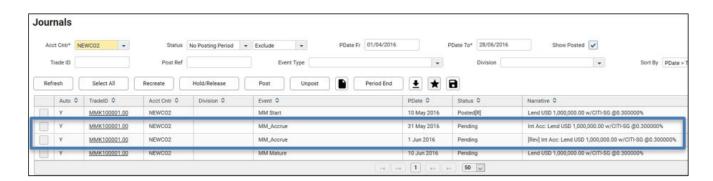
- 2. Select the period end date then click Process.
- 3. Once a popup appears click OK.



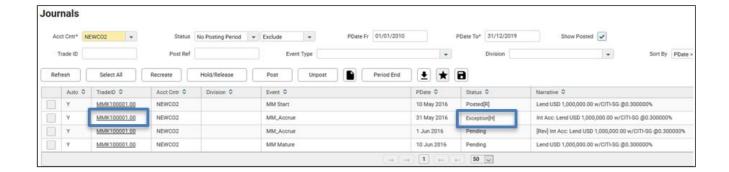
4. The Period Status will change to Month End Processing.



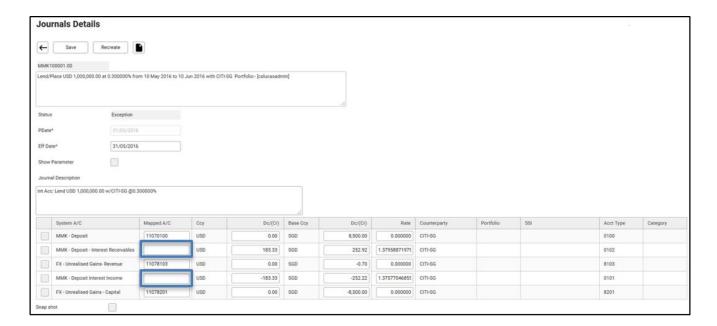
- 5. When it's month end processing, system generates the period end events. Click Back button to return to Journals Management screen.
- 6. Filter the PDate From and PDate To to the period end date, 31-May-2016 in this example. Click Refresh.
- 7. Two new accounting events are created in our illustration, one is a Money Market Accrual generated for trade MMK100001.00 on 31-May-2016 and a reversal journal for the Money Market Accrual on 1-Jun-2016, which is the following day after the period end date. This accounting event is known as the period end reversing journals and is a mirror image of the one dated 31-May-2016.



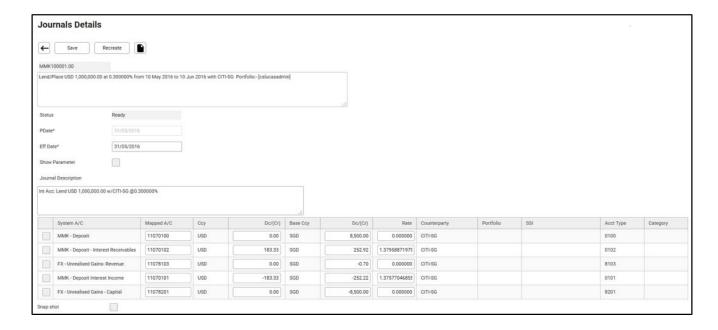
- 8. Select the accounting events for 31-May-2016 and click Recreate.
- 9. You may encounter an exception. This is caused by the absence of mapping.



- 10. Click on the Trade ID to go to Journal Details to check which account types are causing the mapping exception. In this example, the following accounts need to be mapped.
- 0102: MMK Deposit Interest Receivable
- 0101: MMK Deposit Interest Income



- 11. Set this up in the Chart of Accounts Mapping screen. For more details, see <u>Charts of Account maintenance</u>. Once all the mappings have been set up, recreate the journal again.
- 12. The recreated journal will be as shown.



FREQUENTLY ASKED QUESTIONS

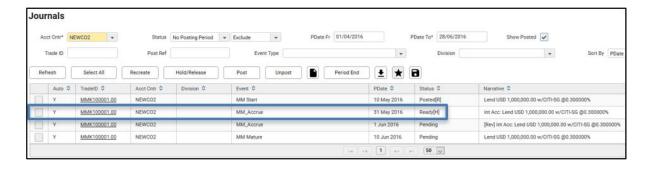
FAQ01. What happens if after the month end events are created, I realized that there are missing transactions or correction required to existing transactions? How do I recreate the month end events? The month end period has not been closed.

Make all the necessary corrections. Once the corrections are made, go to the Period End screen, click on the period end processing again.

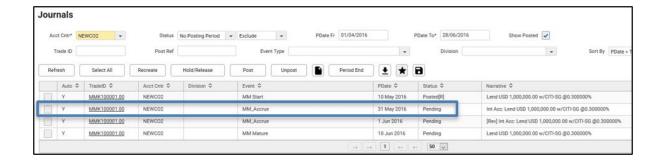
There are two possibilities depending on whether the original month end event have been posted.

Case 1 - Original events not posted

Before you click on the Period End Processing.



After you click on the Period End Processing.

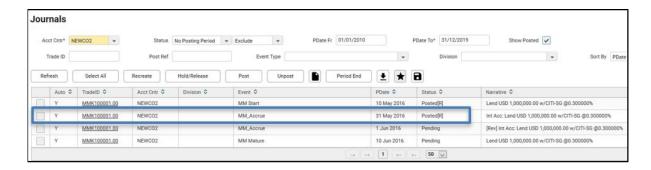


The only change would be that the month end events are back to the pending stage.

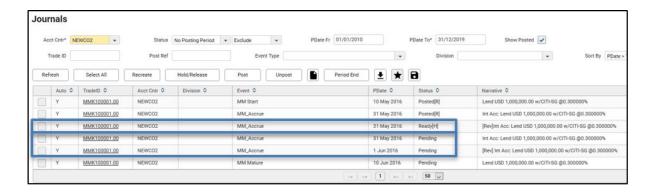
Recreate these journals again and proceed as usual.

Case 2 - Original events already been posted

Before you click on the Period End Processing (Notice that period end journals already posted).



After you click on the Period End Processing.



Notice the system generates a reversal journal for the earlier posted journal. This has the same post date as the original journal.

The new period end journals and its corresponding reversals (for the next day) are created.

FAQ02. What should I do if I created a wrong period end and month end events have been posted?

When this happens, you will need to first reopen the wrong period end. When a period end is reopened, a set of month end events will be reversed. Post these month end reversals to cancel the month end events posted for the wrong period. After this is done, you can delete the wrong period end and create the new period end as per normal. If you have any intervene transaction accounting events that are posted in between the wrong period end and the last month end, one of the two things you can do is as follows:

- (i) Invoke a trade amendment so that the system reverse the accounting event where the posting period is wrong and recreated a new accounting event.
- (ii) Unpost the transaction accounting event and recreate again. Please note unposting will not generate any reversal journal.

RELATED INFORMATION

Chart of Accounts Mapping

Accounting Period Maintenance

<u>Accounting Journals Management</u>

CHANGE HISTORY

Date	Ву	Changes
15-Feb-2008	-	Created
28-Jul-2015	CS	Included section for FAQ
28-Jun-2016	TS	Reformatted. Rewritten.
2-Aug-2016	TS	Changed.
13-Jan-2020	Lуга	Updated screenshots.