



Microsoft Dynamics SL

Financial Statement Translation

Release 2015

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Introduction

Financial Statement Translation Overview

With the Financial Statement Translation module, you can translate and re-measure your company's financial statements from a base or reporting currency to any other currency using FASB52 and SSAP20 standards. It also enables you to create a consolidation file from the base, re-measured, or translated set of books so that you can transfer financial information from a subsidiary office to a main office for financial reporting or other purposes.

In addition, the Financial Statement Translation module generates a variety of reports that help make verifying translation gain or loss easier and more efficient.

The Financial Statement Translation module uses the definition and worksheet approach to financial statement translation. Each currency translation definition entered receives a translation definition ID. The Financial Statement Translation module uses these definitions as source documents for the translation worksheets that update general ledger account balances.

Financial Statement Translation Interaction

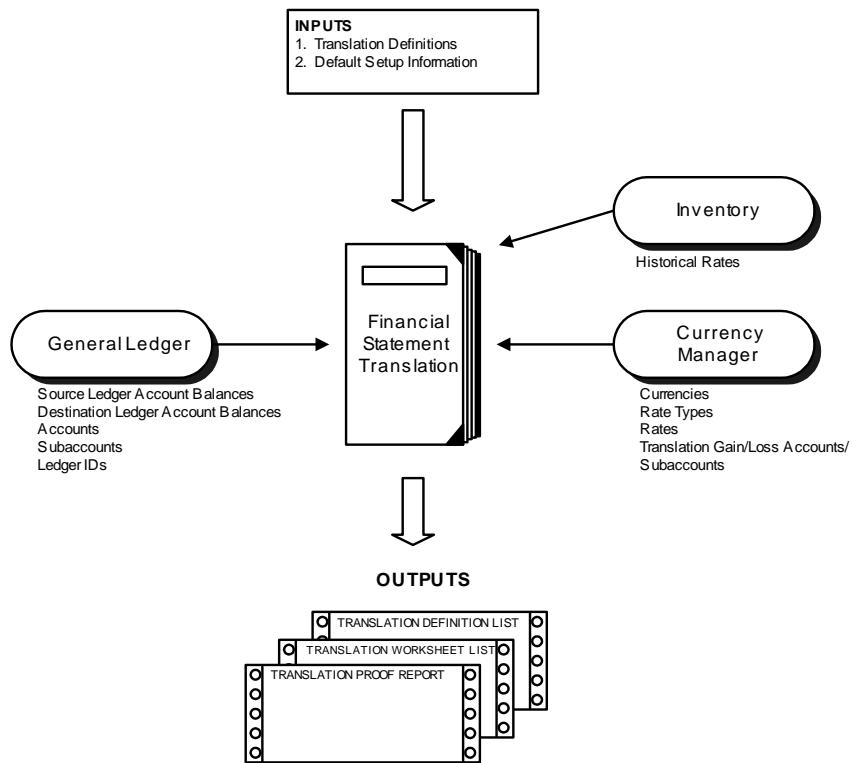


Figure 1: Financial Statement Translation Interaction

User Guide Overview

This user guide provides information regarding the setup and use of the Financial Statement Translation module. Reviewing the user guide can help you make informed decisions regarding the implementation of the Financial Statement Translation module in your business.

What is Covered in the User Guide?

The user guide consists primarily of procedures and checklists that describe how to perform the various tasks featured in the Financial Statement Translation module. The user guide also contains topics that help you become better acquainted with the capabilities of the module. Topics are arranged in a logical order that builds on information previously presented in other user guides.

Who Should Use the User Guide?

The user guide is designed for readers who are new to Microsoft Dynamics SL. The guide provides the information necessary for making decisions regarding how to use the Financial Statement Translation module in order to get the most from your system.

How to Use the User Guide

Read the appropriate section of the user guide before proceeding with any system customizations. The user guide presents the procedures and steps required for completing the various customization processes. To assist you in locating information, the user guide contains:

- A Table of Contents of logically organized activities and tasks
- An alphabetized Quick Reference Task List of commonly performed tasks
- An alphabetized Index of the information provided in the user guide

Quick Reference Task List

This list contains tasks that are commonly performed with the Financial Statement Translation module. Each task is cross-referenced to a specific page in the user guide.

How Do I Set Up...?

- Financial Statement Translation – see “Setting Up Financial Statement Translation” on page 5
- Financial Statement Translation Definitions – see “Setting up Translation Definitions” on page 6

How Do I Enable...?

- Bi-monetary Inventory – see “Enabling Bi-Monetary Inventory” on page 8

How Do I Process...?

- Financial Statement Translation Transactions – see “Processing Financial Statement Translation Transactions” on page 11

How Do I Perform...?

- Financial Statement Translation Inquiries – see “Performing Financial Statement Translation Inquiries” on page 13

Setting Up Financial Statement Translation

Starting Financial Statement Translation

Before beginning regular Financial Statement Translation operation, use *FST Setup* (25.950.00) to enter the information of your financial statement default and module preferences into Microsoft Dynamics SL: default translation definition ID, general ledger posting option, period to retain worksheets, etc.

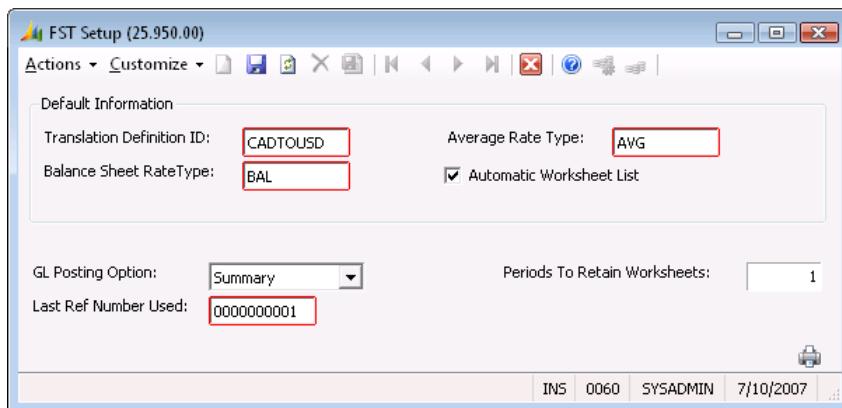


Figure 2: FST Setup (25.950.00)

Typically, you use this screen when you first install the software but seldom after that. Note that you must complete Financial Statement Translation module setup before you can use other Financial Statement Translation module screens (*Translate Financial Data* [25.500.00], etc.) for normal business activity.

Consider the following when completing Financial Statement Translation module setup:

- Selecting **Automatic Worksheet List** in *FST Setup* (25.950.00) causes the software to generate the Translation Worksheet Listing (see *Translation Worksheet Listing* [25.600.00] in the Reference section) automatically at the completion of the Translate Financial Data process.
- **Periods to Retain Worksheets** in the Financial Statement Translation Setup screen allows you to specify the maximum number of fiscal periods to retain prior-period translation worksheet details in the database. You can retain prior-period translation worksheets for up to 99 periods. However, keep in mind that the number of periods data are retained affects database size. The more periods you retain data, the larger the database becomes.

Setting up Translation Definitions

For each currency translation to be performed, you must set up a translation definition that includes:

- The account (and subaccount) ranges to translate.
- The rate type to use to retrieve the appropriate rate from the rate table.
- The translation rule to perform.
- Whether or not the rate is auto-calculated by the software (rates are not auto-calculated except for historical rates)

Setting up translation definition information typically involves entering this information in *Translation Definition* (25.250.00) prior to beginning regular Financial Statement Translation module operations.

Note that you can use the Quick Maintenance feature to enter the information of a new translation definition “on the fly” while processing financial statement translation transactions. However, this is not recommended since translation definition setup can be fairly involved. Also note that the software can only process financial statement translation activity for “valid” definitions (ones whose information already exists in the database). It cannot process activity for any definition not entered in the Definition Maintenance screen or via quick maintenance.

Use the following procedure when you install the Financial Statement Translation module to enter the information of all current translation definition details. Note that currencies, exchange rates, and rate types must be set up before you can associate and use them with translation definitions. As you begin regular operations, use this procedure to create new translation definitions, change the information of existing definitions, print audit reports, proof translation information before releasing, and delete translation worksheets from prior periods.

1. Verify that all necessary currencies, rate types, and exchange rates have been entered in Microsoft Dynamics SL, including the translation gain and loss accounts and subaccounts for the currency being translated from, using these Currency Manager module screens:
 - *Currency Maintenance* (24.250.00).
 - *Rate Type Maintenance* (24.260.00)
 - *Rate Maintenance by ID* (24.270.00)
 - *Rate Maintenance by Date* (24.271.00)
2. Develop a suitable translation definition ID coding scheme. Because each definition ID identifies a specific translation definition, the ID must be unique for each definition.
3. For maximum flexibility when generating Financial Statement Translation module reports, it is important to structure your definition ID coding scheme logically.
4. Generate a listing of your company’s current chart of accounts structure, including subaccounts, if any (see the General Ledger online help or user guide).
5. Assign the appropriate translation rule to each account and subaccount combination (if you are using subaccounts). As you complete this step, you may see a pattern to the rule definition that will allow you to group certain account and subaccount ranges.

6. Enter all definition information in *Translation Definition* (25.250.00).

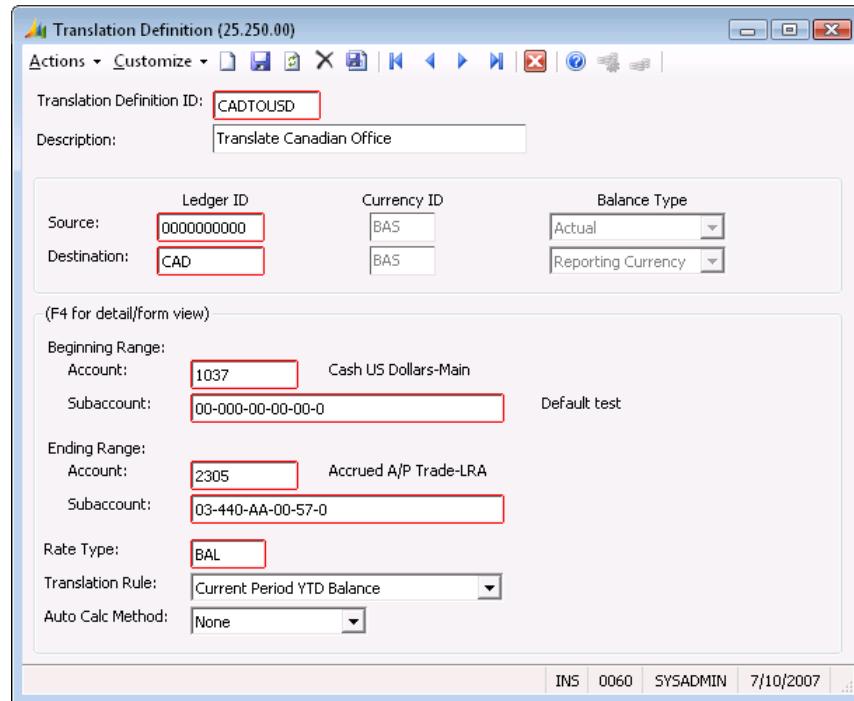


Figure 3: Translation Definition (25.250.00)

7. Generate and review the *Definition List* (25.600.00) to ensure that all definition information is entered correctly. If corrections or changes are needed, repeat this procedure.
8. Log off and back up the database.

Enabling Bi-Monetary Inventory

Bi-monetary inventory is a feature designed to track inventory costs in a specified reporting currency for the purpose of calculating weighted average historical rates for financial statement translation of inventory accounts. The bi-monetary inventory feature is enabled within the Inventory module's *Inventory Setup* (10.950.00), and can be turned on or off as needed. Once enabled, the software captures the reporting currency rate and cost information at data entry time by retrieving the appropriate rate (usually the spot or daily rate) from the rate maintenance table in *Currency Rate Type Maintenance* (24.260.00). The reporting currency fields for rate, rate type, effective date, and the reporting currency cost fields are stored in the transaction records for each data entry screen. Users can adapt the bi-monetary feature to the structure of their business, setting up the reporting currency to track as well as the rate type to use for retrieving rates from the rate table.

As receipts are entered, the reporting currency costs are accumulated by the same method as the base currency costs whether the inventory item is using LIFO, FIFO, average, or one of the other costing methods (see the *Inventory* online help or user guide for more information about costing methods). There are no bi-monetary inventory fields within any of the Inventory, Purchasing, or Order Management entry screens and reports; however, if the Bi-monetary inventory feature is enabled, a message displaying the rate and rate type being used for the reporting currency calculations will appear on the screen. Both the base currency and the reporting currency (bi-monetary inventory currency) are accumulated in fields throughout the inventory records. These costs are used during two events: the sale of an item, and the translation of the General Ledger inventory account that the item is associated with. During the sale of the item, the software pulls the reporting currency costs in the same way it pulls the base currency cost. At the time of translation, a simple process is run that calculates the current historical rate for use with the translation definition that has been specified.

Features and Benefits of Bi-Monetary Inventory

- Weighted average historical rates are calculated by the system for use with Financial Statement Translation.
- Tracking of inventory items in base and one other reporting currency
- Full audit trail of exchange rate and reporting currency cost amounts at the transaction level
- Exchange rates defaulted from the rate table
- Reporting currency cost is calculated using the inventory item costing logic (LIFO, FIFO, standard, etc.)
- Cross-module setup of exchange rates in the same screen
- Minimal setup required

Processing Financial Statement Transactions

Overview

This topic provides information and procedures for processing statement translation transactions. Basic tasks include:

- Financial Statement Translation Transaction Flow
- Processing Financial Statement Translation Transactions
- Performing Financial Statement Translation Inquiries

Financial Statement Translation Transaction Flow

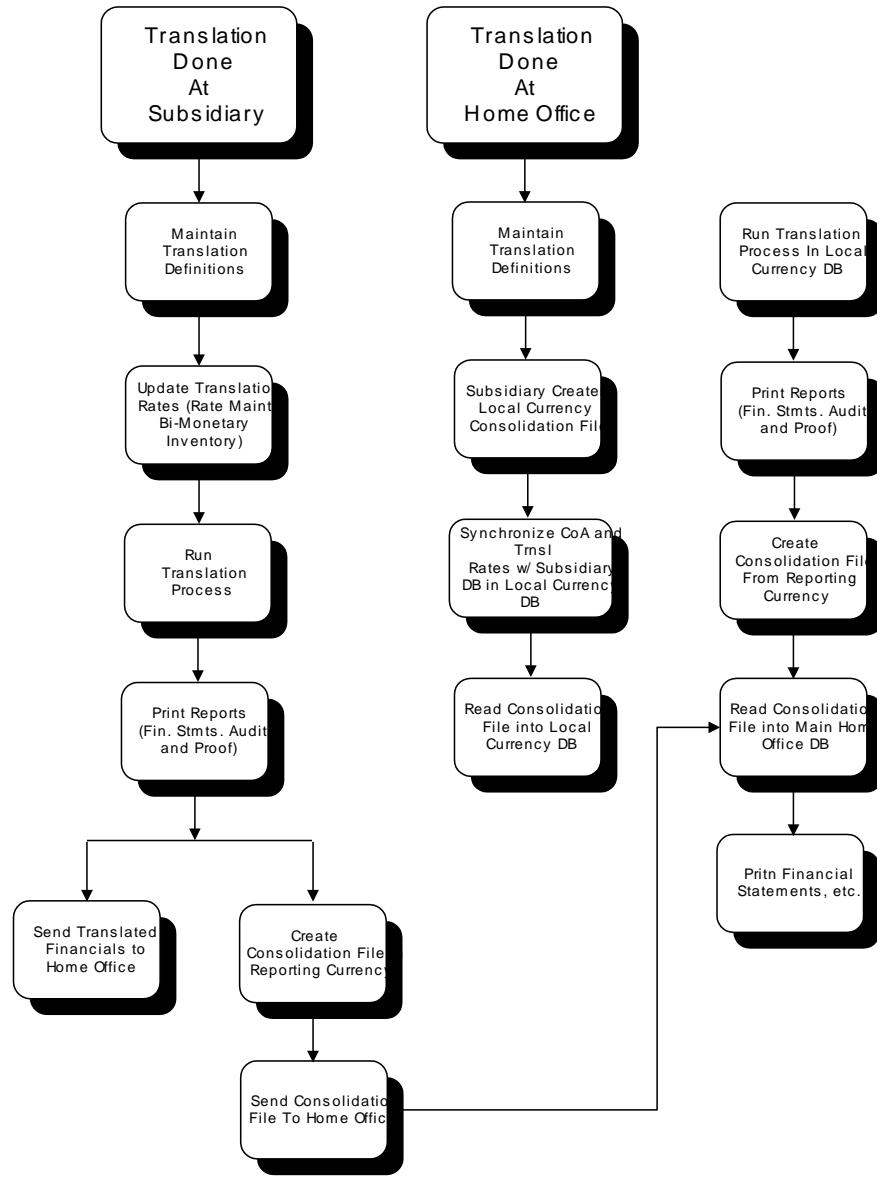


Figure 4: FST Transaction Flow

Processing Financial Statement Translation Transactions

The transaction processing cycle for the Financial Statement Translation module includes the following:

1. Make sure you have set up the appropriate ledger IDs in the General Ledger module (see “GL Multiple Ledger” in the *General Ledger* online help or user guide).
2. Prepare for period-end closing by:
 - Entering journal entries and adjusting journal entries in the General Ledger module’s Journal Transactions screen (01.010.00).
 - Closing any subsidiary modules you are using.
 See the user guide in the *General Ledger* online help or user guide.
3. Update exchange rates in either the Currency Manager module’s *Rate Maintenance by ID* (24.270.00) or *Rate Maintenance by Date* (24.271.00) for the rate types used in each of your translation definitions.
4. If you are using the Inventory module and **Enable Bi-Monetary Inventory** is selected in *IN Setup* (10.950.00), run *Historical Rate Update* (25.540.00) to ensure that historical rates are current.
5. Complete *Translate Financial Data* (25.500.00) for each translation definition associated with the ledger IDs to translate.

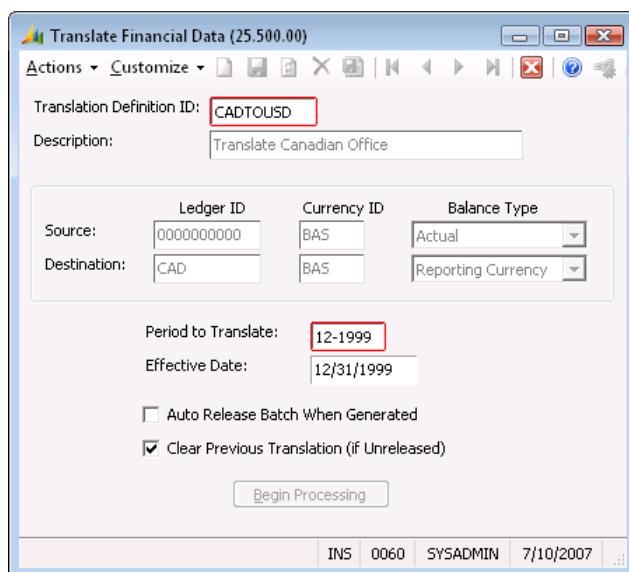


Figure 5: Translate Financial Data (25.500.00)

6. Generate and review *Worksheet List* (25.610.00) and *Translation Proof Report* (25.650.00) to determine if the translation has been performed correctly.

Note:

- It is important to review these reports before releasing the translation worksheets to the general ledger (step 6) and posting the translation. Especially in the early stages Financial Statement Translation module use, this helps confirm that your translation definitions are established properly. If corrections or changes are needed, repeat steps 1 through 4 of this procedure.
- You can rerun a translation at any time (for example, if you discover a rate was not updated before the translation was initially completed). However, if you have already released and posted the translation to the general ledger, you must either make an adjusting entry in *General Ledger Journal Transactions* (01.010.00), or run *Translation Batch Reversal* (25.510.00) and post the created batch to reverse the effects of the translation. Also note that if you find an error in the translation after it is released but before you post it to the

destination ledger, you can delete the translation batch, using *Journal Transactions* (01.010.00), and rerun the translation process.

7. Release the translation worksheet to create a translation general ledger batch and post the batch to the assigned ledger ID.
8. Generate and review the appropriate financial statements, using the FRx® or Management Reporter modules.

Performing Financial Statement Translation Inquiries

The Financial Statement Translation module permits you to perform in-depth translation definition and/or worksheet inquiries using many of its screens and reports. The primary Financial Statement Translation module inquiry screens and reports are:

- *Translation Definition* (25.250.00)
- *Definition List* (25.600.00)
- *Worksheet List* (25.610.00)
- *Translated Trial Balance Preview* (25.630.00)
- *Definition Exception Report* (25.640.00)
- *Translation Proof Report* (25.650.00)

You can also use any of the General Ledger module's inquiry screens (for example, the *Journal Transactions* [01.010.00] and *Account History* [01.300.00]) to see how translation effects your destination ledger's set of books. In addition, you can generate the *Translation Proof Report* (25.650.00) to use for validating the translation gain or loss amount.

Any of the standard reports can be printed, sent to a file, or viewed on screen. Although each report is different, the screens used to generate the report are similar. All screens have sort/select functions that permit you to specify certain criteria to control the contents of the final reports. Click the Sort>Select button to access each screen's sort/select functions (summarized below).

Sort>Select Field contains a list of report fields that can serve as the basis for a report's selection criteria. Double-click the right mouse button to obtain a listing of report field names available for entry at **Sort>Select Field**. A partial list of fields includes:

FSTRSLND.TRSID (definition ID).
FSTRSLHD.PERPOST (translation period to post).
FSTRSLND.REFNBR (translation worksheet reference number).
FSTRSLHD.SRCLEDGERID (translation worksheet source ID).

Operator contains a specified list of operators including:

Begins with	Is not NULL
Between	Less than
Contains	Less than or equal to
Equal	<None> (this is the default)
Greater than	Not between
Greater than or equal to	Not contains
In	Not equal
Is NULL	Not In

Value allows you to enter a value as part of your selection criteria.

Other report options allow you to specify preferences for sort orders, and report total and page breaks. You can save report selection criteria for future report generations.

Reference

Translation Definition (25.250.00)

Use to define the information of financial statement translation definitions. The Financial Statement Translation module uses translation definitions as a set of rules to create documents for the translation worksheets that update general ledger accounts. For each definition, identify which rate type and translation rule apply to a specific range of general ledger accounts.

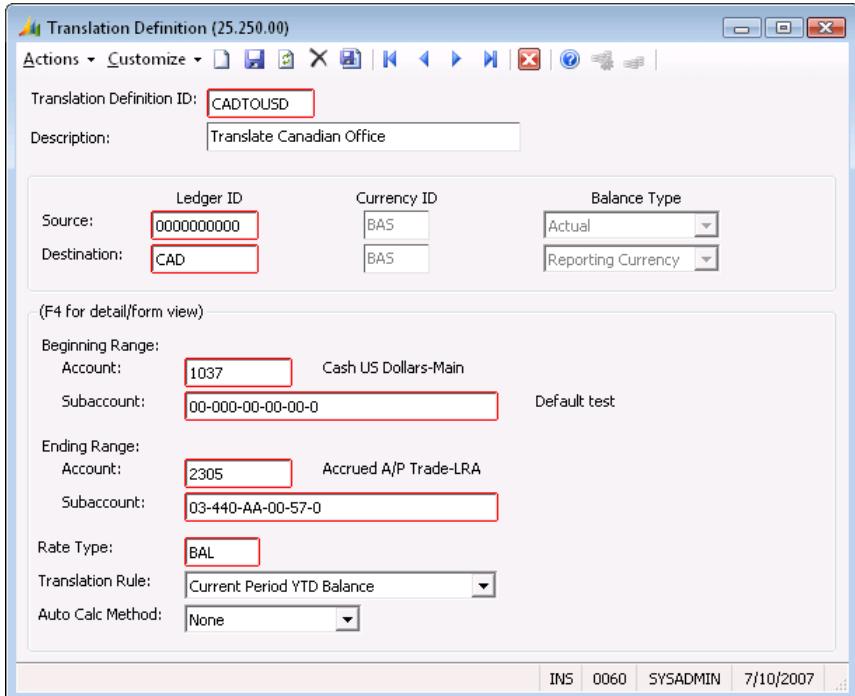


Figure 6: Translation Definition (25.250.00)

When you complete *Translate Financial Data* process (25.500.00), the Financial Statement Translation module uses the translation definition information to create a translation worksheet. This worksheet uses FASB52 and SSAP20 standards and calculates the translated amounts, as well as the translation gain or loss amount. Release this worksheet to create a general ledger transaction batch that adjusts the destination ledger's set of books. You can review the information of each general ledger batch using General Ledger module's *Journal Transactions* (01.010.00). Once you are sure the batch information is correct, you can post it to the destination ledger using *Post Transactions* (01.520.00).

Each worksheet remains in the database until deleted (see *Delete FS Detail* (25.530.00)). The software can retain the information of all worksheets generated for a specified number of accounting periods past the current one. The number of periods the software retains and checks for existing worksheets is controlled by the value at **Periods to Retain Worksheets** in *FST Setup* screen (25.950.00).

After you release a translation worksheet, Microsoft Dynamics SL will generate a Translation Worksheet List, containing all accounts translated. This report is produced automatically only if you select **Automatic Worksheet List** in *FST Setup* (25.950.00).

Translation Definition ID

Unique identifying code you assign to a translation definition; can be any alphanumeric code. Once a definition's information is set up, you cannot change the definition's ID. The only way to "change" the

ID is to delete all of the definition's information and then re-enter the information using a new definition ID.

To edit a definition, select its definition ID. To delete a definition, select its ID then select the Delete function. The software prompts you for the correct action:

Yes — Delete the definition (all definition information is removed from the database).

No — Stop the delete operation (all definition information is retained in the database).

Description

Description associated with the translation definition ID; appears on translation worksheets and reports you generate for the definition.

Source Ledger ID

Ledger ID associated with the set of balances to be translated.

Source Currency ID

ID associated with the base currency of the source ledger ID's balances; defaults from the ledger ID record of the source ledger ID specified.

Source Balance Type

Balance type associated with the balance type of the source ledger ID; defaults from the ledger ID record of the source ledger ID specified; allows you to divide ledgers into as many as four main categories. Valid balance type options are:

- Actual — This balance type represents actual financial values for an entity.
- Budget — This balance type represents budget information for an entity.
- Statistical — This balance type represents statistical information for an entity (for example, units, square feet, etc.).
- Reporting Currency — This balance type represents translated or re-measured financial information.

For translation purposes, the value must either be *Actual* or *Reporting Currency*.

Destination Ledger ID

ID associated with the set of balances to which the software should post the translated information.

Destination Currency ID

ID associated with the base currency of the destination ledger ID's balances; defaults from the ledger ID record of the destination ledger ID specified.

Destination Balance Type

Balance type associated with the balance type of the destination ledger ID; defaults from the ledger ID record of the destination ledger ID specified. For translation purposes, the destination balance type must be "Reporting Currency" (translated or re-measured financial information).

Beginning Account Range

Starting (lowest) account to be included in the translation definition's account group. The software translates or re-measures all account balances for accounts between this account and the ending account range account (see **Ending Account Range**) according to the rate type and translation rule defined. Combined with the values at **Beginning Subaccount Range** and **Ending Subaccount Range**, the account range permits you to associate a more finite account range with a definition line.

Beginning Subaccount Range

Starting (lowest) optional subaccount to be included in the translation definition's subaccount group. The software translates or re-measures all account balances for subaccounts occurring between this subaccount and the ending subaccount range subaccount (see **Ending Subaccount Range**) according to the rate type and translation rule defined.

Ending Account Range

Ending (highest) account to be included in the translation definition's account group. The software translates or re-measures all account balances for accounts occurring between the beginning account range account (see **Beginning Account Range**) and the this account according to the rate type and translation rule defined.

Ending Subaccount Range

Ending (highest) optional subaccount to be included in the translation definition's account group. The software translates or re-measures all account balances for subaccounts occurring between the beginning subaccount range subaccount (see **Beginning Subaccount Range**) and this subaccount according to the rate type and translation rule defined.

Rate Type

ID of the exchange rate type. The software uses this ID to retrieve the exchange rate from the rate table used to translate or re-measure the account and subaccounts in the range specified. Along with the translation rule (see **Translation Rule**), the rate type determines how accounts are translated. The rate type entered here must be a valid rate type, as defined in the Currency Manager module.

Translation Rule

Specifies which translation algorithm the software uses to translate the accounts (and subaccounts) in the specified range. The software uses the translation rule along with the rate type (see **Rate Type**) to determine how to translate the accounts. Translation rule options are:

Current Period YTD Balance — This rule is generally used to translate Current Rate Translated Balance Sheet accounts (when used along with the rate type that specifies the current balance sheet exchange rate). Examples of accounts that typically use this translation rule are Cash, Accounts Receivable, Accounts Payable, and Inventory. The algorithm used for this rule is:

- *Reporting Currency Amount = (Foreign Currency Current-Period YTD Balance * Month-End Balance Sheet Rate [as indicated by the rate type]) - Reporting Currency Period-Opening Balance*

Current Period PTD Activity — This rule is generally used to translate accounts that are either Historical Rate Translated Balance Sheet accounts or Average Rate Translated Profit & Loss accounts. Examples of accounts that typically use this translation rule are Historical (Capital Stock, Retained Earnings) and Average (Revenue, Expense, Cost of Goods Sold). The algorithm used for this rule is:

- *Reporting Currency Amount = (Foreign Currency Current Period Activity * Current Month End Historical or Average Rate [as indicated by the rate type])*

Not Included in Translation — This rule is generally used to specify accounts and account ranges that are not to be translated. It can simply document the fact of the non-translation.

Auto Calc Method

Specifies whether the translation process uses a rate from the rate table that was entered by the user or one automatically calculated by the software using the Inventory module's bi-monetary inventory feature (see the Bi-monetary Inventory feature section in the *Inventory* online help or user guide).

Release Translation Worksheets (25.400.00)

Use to release all balanced, unreleased translation worksheets for posting to general ledger accounts; transactions are posted in General Ledger module's *Post Transactions* (01.520.00).

If you select **Automatic Worksheet List** in *FST Setup* (25.950.00), the Release Translation Worksheets screen generates a listing of all worksheets released during processing. After releasing worksheets, use the General Ledger module's *Post Transactions* (01.520.00) to post batch transactions that were created from the worksheets to general ledger accounts.

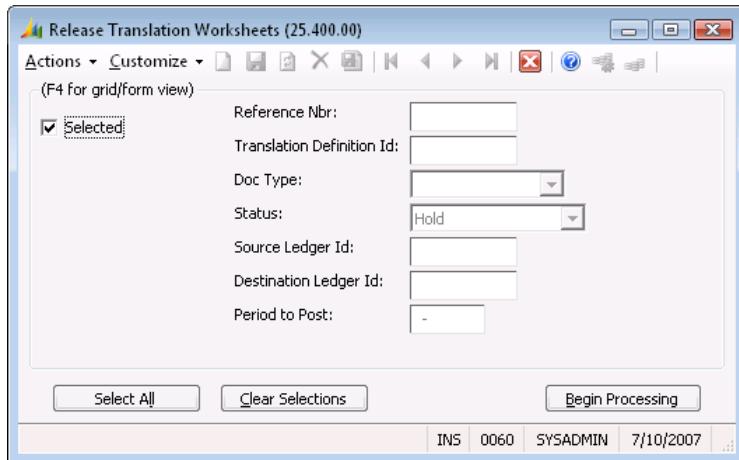


Figure 7: Release Translation Worksheets (25.400.00)

Selected

Specifies by worksheet whether or not a translation worksheet should be released for posting to the general ledger. Worksheet release options are:

- Yes — Release the worksheet for posting. This is the default option.
- No — Do not release the worksheet for posting.

Reference Nbr

Numeric code that uniquely identifies each worksheet which can potentially be released for posting.

Translation Definition Id

Shows the translation definition ID used to create each worksheet to be released; created in *Translation Definition* (25.250.00).

Doc Type

Specifies that the worksheet is a translation worksheet document type.

Status

Indicates the current condition of each translation worksheet in Microsoft Dynamics SL:

- On Hold – Not to be released.
- Balanced – Ready for release.
- Partially Released – Could not be completely released due to an out-of-balance document or other problem.
- Partially Voided – Void was interrupted and must be completed.

Source Ledger Id

Source ledger ID of each worksheet; associated with the set of balances that have been translated.

Destination Ledger Id

Destination ledger ID of each worksheet; associated with the set of balances to which the translated information is to be posted.

Period to Post

General ledger fiscal period and year to which the worksheet and general ledger batch is to be posted. For example, 08-1996 posts a worksheet and its associated batch to the eighth period of fiscal year 1996.

Select All (button)

Selects all unreleased worksheets for release for posting. When you want to release all unreleased worksheets, the **Select All** button is a quick way to select every possible worksheet.

Clear Selections (button)

Deselects all worksheets (prevents all unreleased worksheets from being released for posting). This helps ensure that any worksheets not to be released are not accidentally selected and released. After clicking the Clear Selections button, you can use **Selected** to specify only those worksheets you definitely want to release.

Begin Processing (button)

Starts the Release Translation Worksheets process.

Translate Financial Data (25.500.00)

Use to produce translation worksheets from translation definitions entered in *Translation Definition* (25.250.00) and account balances from the source ledger ID specified in the translation definition. Once you create a translation worksheet, the software saves the record of its information. Generating and releasing a translation worksheet causes the software to create a batch of transaction that records the translated information, as maintained in the general ledger, to the destination ledger set of books.

The software automatically determines the reference number of each translation worksheet generated from a translation definition based on the value at **Last Ref Nbr Used** in *FST Setup* (25.950.00). You can regenerate a translation worksheet for any period or translation definition. However, if you have already released the previous occurrence of the translation worksheet, the software warns you that a previous translation worksheet exists for the period and definition you are trying to create. You can still create and release the new translation worksheet but you must then manually create a reversing transaction batch in the General Ledger module's *Journal Transactions* (01.010.00) to remove the previous translation or run *Translation Batch Reversal* (25.510.00).

The software warns you if a previous translation worksheet exists but is not released. It then overwrites any of the translation information in the worksheet, if you select **Clear Previous Translation (if Unreleased)** in this screen. Otherwise, it issues an error.

After you release a translation worksheet, the software generates a **Worksheet List**, listing all accounts (and subaccounts) translated for the worksheet. This report is produced automatically only if you select **Automatic Worksheet List** in *FST Setup* (25.950.00). You do not select **Automatic Worksheet List**, you can still generate the report by selecting **Worksheet List** from the Reports part of the FST menu.

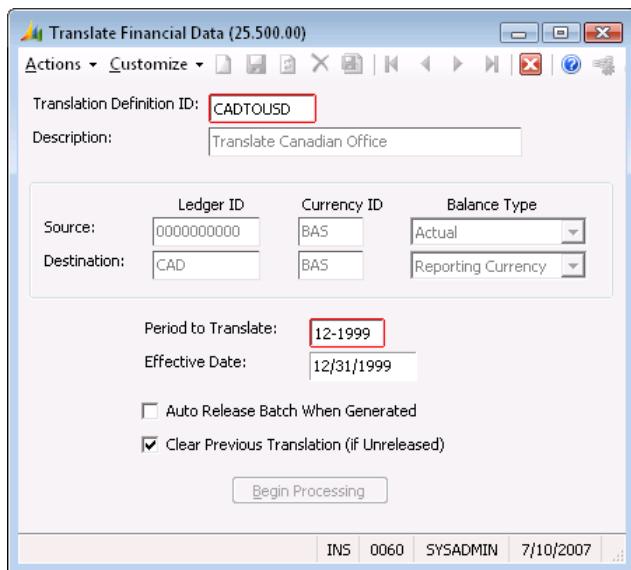


Figure 8: Translate Financial Data (25.500.00)

Translation Definition ID

Unique identifying code you assign to a translation definition; can be any alphanumeric code. The ID entered here must be that of an existing translation definition (one whose information is already entered in the database). Normally, translation definitions are set up in *Translation Definition* (25.250.00) prior to translation. However, you can enter translation definition information "on the fly" using the Quick Maintenance feature (see the *System Manager* online help or user guide). This is not recommended because translation definition setup can be quite involved.

Description

Description associated with the translation definition ID (see **Translation Definition ID**).

Source Ledger ID

ID associated with the set of balances that are to be translated (see the sections on the GL multiple ledger feature in the *General Ledger* online help or user guide).

Source Currency ID

ID associated with the base currency of the source ledger ID's balances.

Source Balance Type

Balance type associated with the balance type of the source ledger ID; allows you to divide ledgers into as many as four main categories. Valid balance type options are:

- Actual – This balance type represents actual financial values for an entity.
- Budget – This balance type represents budget information for an entity.
- Statistical – This balance type represents statistical information for an entity (for example, units, square feet, etc.).
- Reporting Currency – This balance type represents translated or re-measured financial information.

For translation purposes, the value must either be *Actual* or *Reporting Currency*.

Destination Ledger ID

ID associated with the set of balances to which the software should post the translated information (see the sections on the GL multiple ledger feature in the *General Ledger* online help or user guide).

Destination Currency ID

ID associated with the base currency of the destination ledger ID's balances.

Destination Balance Type

Balance type associated with the balance type of the destination ledger ID.

Period to Translate

General ledger fiscal period and year of the source ledger ID from which to translate and the destination ledger ID to which the translation should be posted. For example, 08-1996 posts a batch to the eighth period of fiscal year 1996. The default is the current fiscal period-year. The period to translate must belong to a valid fiscal period, as specified in *General Ledger Setup* (01.950.00). It applies to the entire translation worksheet.

Effective Date

Date used to retrieve all exchange rates for previously generated translations (in other words, translations generated prior or equal to the date entered here). The default date is the last day of the period specified in the General Ledger module's setup information (see the *General Ledger* online help or user guide) because typically the effective date is the last date of the period being translated. You can change this date before beginning the translation process.

Auto Release Batch When Generated

Controls whether or not the software automatically releases for posting to the general ledger the translation worksheet created from the translation; default option is selected (release the worksheet automatically). You can use *Release Translation Worksheets* (25.400.00) to release any translation worksheets not automatically released for posting.

Clear Previous Translation (if Unreleased)

Controls whether or not Microsoft Dynamics SL:

- Clears the previous occurrence of a translation worksheet for the specified translation definition ID and period to translate.
- Replaces the previous occurrence of a translation with the current values generated.

If you do not select **Clear Previous Translation (if Unreleased)** or the translation worksheet has already been released, the software generates an error message to the event log.

Begin Processing (button)

Starts the translation process.

Translation Batch Reversal (25.510.00)

Use to automatically create a batch to reverse a previous translation. For every translation performed a worksheet is generated. From these worksheets batches are created, released and posted in General Ledger to adjust the foreign currency balances with the period and year to date activity, as well as gains or losses associated with the translation. If for some reason a correction has to be made and a translation has to be redone, the Translation Batch Reversal process facilitates the automatic creation of a reversing batch for the translation specified.

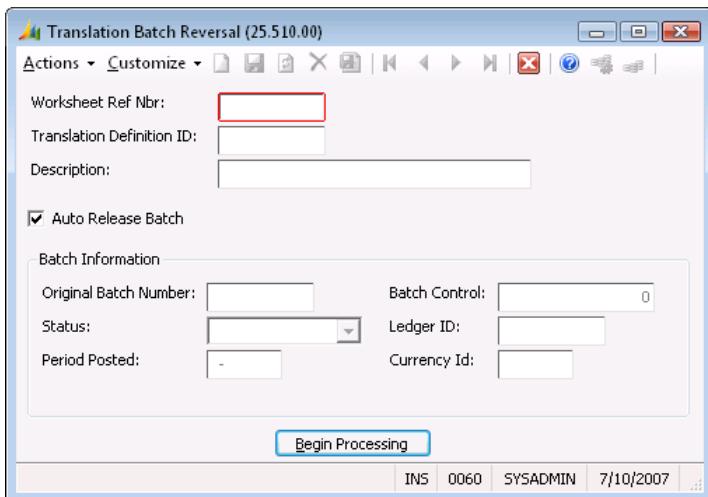


Figure 9: Translation Batch Reversal (25.510.00)

Worksheet Ref Nbr

Translation worksheet reference number associated with the batch that you want to reverse.

Translation Definition ID

Translation definition ID that was used to create this particular translation worksheet and translation batch; automatically populates once a Worksheet Reference Number is entered.

Description

Text description associated with the translation definition ID; automatically populates once a Worksheet Reference Number is entered.

Auto Release Batch

Specifies whether or not the software should release the reversing batch automatically immediately after it has been generated; default is true.

Original Batch Number

Batch number associated with the translation worksheet that you want to reverse; automatically populates once a Worksheet Reference Number is entered.

Status

Batch status associated with the batch to be reversed. This can be used as a visual indicator as to whether reversal of the batch is appropriate or not. For example, if the batch has a status of unposted, then the user can simply delete the batch instead of having to run this process. This will automatically populate once a Worksheet Reference Number is entered.

Period Posted

Fiscal period and year to which the translation batch was posted or will be posted to; automatically populates once a Worksheet Reference Number is entered.

Batch Control

Total amount of the batch that was posted in the base currency of the ledger ID that it was posting to; automatically populates once a Worksheet Reference Number is entered.

Ledger ID

The Ledger ID the ledger ID associated with the set of balances to which the translated information was posted to. (see the GL Multiple Ledger Feature in the *General Ledger* online help or user guide); automatically populates once a Worksheet Reference Number is entered.

Currency ID

Specifies the currency in which the batch was denominated in, usually the currency assigned to the base currency of the ledger ID; automatically populates once a Worksheet Reference Number is entered.

Begin Processing (button)

Starts the FS Batch Reversal creation process.

Delete FST Detail (25.530.00)

Use *Delete FST Detail* (25.530.00) to remove all financial statement translation information (translation worksheets) no longer required for operations.

To delete obsolete financial statement translation information, first specify in *FST Setup* (25.950.00) how long the software should retain prior activity and history. This includes the maximum periods prior to the current one to retain financial statement translation worksheets (see **Periods to Retain Worksheets** in *FTS* (25.950.00)). Then, complete the *Delete FS Detail* process. The software deletes all financial statement translation activity and history for any accounting period and year that exceeds the maximum retention values specified in *FST Setup* (25.950.00).

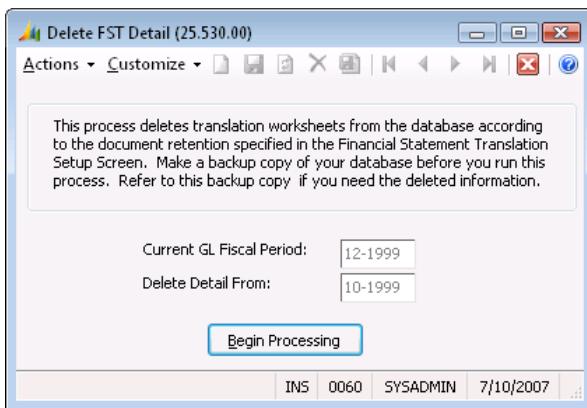


Figure 10: Delete FST Detail (25.530.00)

Current GL Fiscal Period

Controls which fiscal period and year should serve as the reference point for financial statement translation detail deletion. For example, suppose the software is to retain financial statement translation activity for 12 periods (see **Periods to Retain Worksheets** in *FST Setup* (25.950.00)). If 08-1996 is the current fiscal period, the software deletes the activity of period 07-1995 – plus any periods and years prior to these that still have any financial statement translation worksheet detail – when you complete the *Delete FS Detail* process.

Delete Detail From

Fiscal period and year when the software should begin deleting financial statement translation activity. The software deletes all translation worksheet details from this period and all periods prior to this one that still retain details. The period number here is controlled by the value at **Periods to Retain Worksheets** in *FST Setup* (25.950.00).

Begin Processing (button)

Starts the Financial Statement Translation detail deletion process.

Historical Rate Update (25.540.00)

Use *Historical Rate Update* (25.540.00) to retrieve historical costing information from the inventory module's Bi-Monetary Inventory feature, to calculate the historical rate based on the translation definition specified and store the derived historical rate in the rate maintenance table.

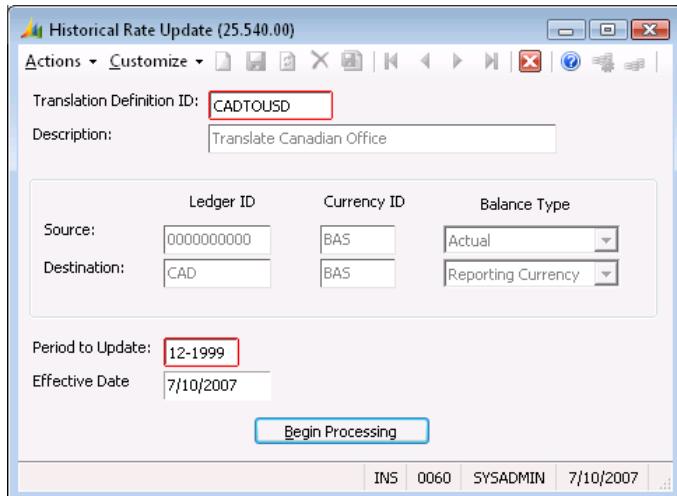


Figure 11: Historical Rate Update (25.540.00)

Translation Definition ID

Unique identifying code you assign to a translation definition; can be any alphanumeric code and must be previously assigned using *Translation Definition* (25.250.00).

Description

Description associated with the translation definition ID (see **Translation Definition ID**). The definition description appears on translation worksheets and reports you generate for the definition; automatically populates once a Translation Definition ID is entered.

Source Ledger ID

ID associated with the set of balances that are to be translated (see the GL Multiple Ledger Feature in the *General Ledger* online help or user guide). This will automatically populate once a Translation Definition ID is entered.

Source Currency ID

ID associated with the base currency of the source ledger ID's balances; defaulted from the Ledger ID record for the source ledger ID specified; automatically populates once a Translation Definition ID is entered.

Source Balance Type

Balance type associated with the balance type of the source ledger ID; defaulted from the Ledger ID record for the source ledger ID specified; automatically populates once a Translation Definition ID is entered.

Destination Ledger ID

ID associated with the set of balances to which the translated information will be posted to (see the GL Multiple Ledger Feature in the *General Ledger* online help or user guide); automatically populates once a Translation Definition ID is entered.

Destination Currency ID

ID associated with the base currency of the destination ledger ID's balances; defaulted from the Ledger ID record for the destination ledger ID specified; automatically populates once a Translation Definition ID is entered.

Destination Balance Type

Balance type associated with the balance type of the destination ledger ID. This is defaulted from the Ledger ID record for the destination ledger ID specified, but for translation purposes must be reporting; automatically populates once a Translation Definition ID is entered.

Period to Update

General ledger fiscal period and year used to update worksheet.

Effective Date

Date the software will save as the effective date for all exchange rates generated by this process; default date is the current date; typically this would be the last date for the period being translated.

Begin Processing (button)

Starts the Historical Rate Update process.

FST Setup (25.950.00)

Use *FST Setup* (25.950.00) to adapt the Financial Statement Translation module to the structure of your business. You normally use this screen when you first install the Financial Statement Translation module but seldom after that. Note that you must complete *General Ledger Setup* (01.950.00) and the *Currency Manager Setup* (24.950.00) before you can complete *FST Setup* (25.950.00). You must complete *FST Setup* (25.950.00) before you can use other Financial Statement Translation module screens for regular operations.

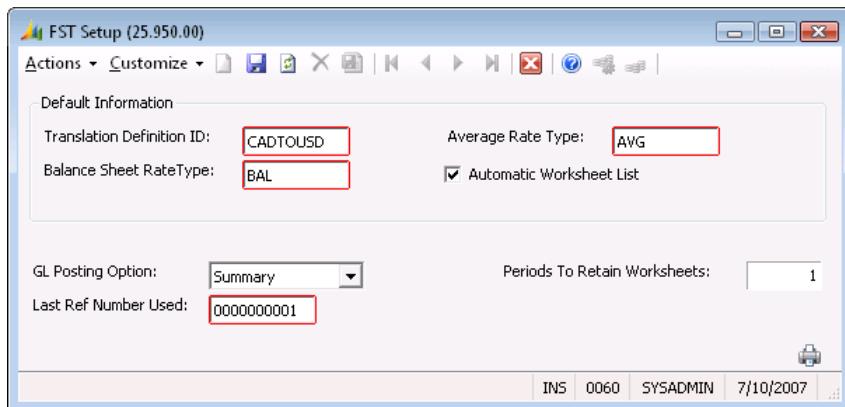


Figure 12: FST Setup (25.950.00)

Translation Definition ID

Translation definition ID that appears automatically (the default ID) in *Translate Financial Data* (25.500.00). Each time you access *Translate Financial Data*, you can accept the default translation definition ID or another valid definition ID. The translation definition ID you enter here must be defined in *Translation Definition* (25.250.00).

Balance Sheet Rate Type

Rate type to associate with the translation balance sheet accounts. During generation of the *Translation Proof Report* (25.810.00), the software uses the balance sheet rate type when retrieving the exchange rate from the rate table.

Average Rate Type

Rate type to associate with average rate translation accounts. During generation of the *Translation Proof Report* (25.810.00), the software uses the average rate type when retrieving the exchange rate from the rate table.

Automatic Worksheet List

Specifies whether or not the software should generate a worksheet listing at the completion of *Translate Financial Data* (25.500.00). The worksheet listing provides a comprehensive summary of translation worksheet activity. As such, they are an integral part of a complete audit trail. You do not select **Automatic Worksheet List**. You can still generate the report by selecting *Worksheet List* from the Reports part of the Financial Statement Translation menu.

GL Posting Option

Controls how the software posts financial statement translation activity to general ledger accounts. The posting options are:

- Summary – For each batch, summarize by account the transactions in the batch and post only these results.
- Detail – For each batch, include the related details of each batch transaction making up the batch.

Note that on general ledger reports, the standard description for summarized financial statement translation postings is “Summarized by Batch.” If you choose to post activity in summary, make sure

you retain all related batch control reports and generate up-to-date worksheet lists. This helps maintain a detailed financial statement translation history for auditing purposes.

Last Ref Number Used

Unique numeric code assigned to a translation worksheet. Reference number identification is useful for reporting purposes. Translation worksheets have their reference numbers listed beside them on many reports. During setup of the Financial Statement Translation module, use **Last Ref Number Used** to establish the reference numbering format for translation worksheets. The typical format is 000000, which assigns the lowest possible positive number (000001) to the first translation worksheet. However, other reference number formats are possible. For example, 100001 specifies that reference numbering should begin with reference number 100001 (100001, 100002, etc.). After you create the first and subsequent translation worksheets, **Last Ref Number Used** automatically displays the reference number of the translation worksheet most recently created.

Periods To Retain Worksheets

Specifies the maximum number of periods prior to the current one that the software should retain financial statement translation activity (released worksheets and their related transactions). For example, 02 here indicates that the software should retain financial statement translation activity for two periods after the current period. After the software retains an accounting period's activity for a period that exceeds the number specified here, you can delete the activity of that prior period using *Delete FST Detail* (25.530.00).

Database storage requirements increase in proportion to the number of periods you retain financial statement translation activity. This may affect hard disk free space requirements.

Quick Print (printer icon)

Click the printer icon to print the *FST Setup* report, which shows all information that has been entered within the *FST Setup* record. This can be used as a record to review *FST Setup* options.

Reports

Definition List (25.600.00)

The *Definition List* (25.600.00) report is a listing of all translation definition information (ID, description, source ledger ID, etc.). Use this report to obtain up-to-date information on a specific translation definition or group of definitions.

Contoso, Ltd Definition List - Standard							Page:	1 of 1
Date:	Tuesday, September 11, 2007						Report:	25600.rpt
User:	SYSADMIN						Company:	
Definition ID	Description	Source Ledger Id	Source Currency Id	Source Balance Type	Destination Ledger ID	Destination Currency ID		
CAD	Canadian translation	000000000	BAS	A	CANADIAN	CAD		
	<u>Beginning Account Range</u>	<u>Beginning Sub Account Range</u>		<u>Ending Account Range</u>	<u>Ending Sub Account Range</u>		Rate Type	Translation Rule
1030	000000000000		1070	000000000000			SPOT	Y
CADTOUSD	Translate Canadian Office	000000000	BAS	A	CANADIAN	CAD		
	<u>Beginning Account Range</u>	<u>Beginning Sub Account Range</u>		<u>Ending Account Range</u>	<u>Ending Sub Account Range</u>		Rate Type	Translation Rule
1030	01000CD00001		2305	01000CD00001			SPOT	Y

Figure 13: Definition List (25.600.00)

Worksheet List (25.610.00)

This report provides a comprehensive summary of all financial statement translation worksheet activity generated in *Translate Financial Data* (25.500.00). Note that if you select Automatic Worksheet List in *FST Setup* (25.950.00), the software automatically generates this report at the completion of the Translation Financial Data process.

Contoso, Ltd Worksheet List - Standard Period: 12-99 As of: 9/11/2007										Page: 1 of 1 Report: 25610.rpt Company:	
Ref Nbr: Per Post:	1111112 100012	Trsl ID: Rised:	CADTOUSD 0	Doc Type: Status:	T B	Src Cury Id: Det Cury Id:	BAS CAD	Src Ledger Id: Del Ledger Id:	0000000000 CANADIAN	Det Dr Tot: Det Cr Tot:	347.95 347.95
Account	Sub Account	Eff. Date Date	Mult/Div	Exchange Rate	Rate Type	Trsl Rule	Period	YTD Balance	DetDrAmt	DetCrAmt	
1030	01-000-CD-00-00-1	1/1/1995	M	0.695804220	SPOT	Y	500.00	500.00	347.95	0.00	
1830	01-000-CD-00-00-1	1/1/1995	M	0.695804220	SPOT	Y	-500.00	-500.00	0.00	347.95	
8172	00-000-00-00-00-0	1/1/1995	M	0.695804220	SPOT	Y	0.00	0.00	0.00	0.00	
Worksheet Total:							0.00	0.00	347.95	347.95	

Figure 14: Worksheet List (25.610.00)

Translated Trial Balance Preview (25.630.00)

The *Translated Trial Balance Preview* (25.630.00) report displays the beginning, current-period, translation, and ending balances for each account and subaccount. This report is similar to the General Ledger *Trial Balance* (01.610.00) report, with the addition of the effects of the specified financial statement translation worksheet activity generated by the *Translate Financial Data* (25.500.00) screen. Use this report to verify the result of a translation on the reporting ledger balances prior to the release and posting of the translation.

Date: Tuesday, September 11, 2007 Time: 11:30AM User: SYSADMIN			Contoso, Ltd <u>Translated Trial Balance Preview</u> Period: 12-89 As of: 9/11/2007 Ledger ID: CANADIAN			Page: 1 of 1 Report: 25630.rpt Company:		
Account	Subaccount	Description	Beginning Balance	Current Period Transactions	Debit	Translation	Credit	Ending Balance
1030	01000CD00001	Cash-US Dollars-US	0.00	0.00	347.95	0.00	347.95	
1830	01000CCD00001	Prepaid Rent	0.00	0.00	0.00	347.95	-347.95	
		** Total Assets	0.00	0.00	347.95	347.95	0.00	
8172	000000000000	Translation Gain	0.00	0.00	0.00	0.00	0.00	
		** Total Income & Expenses	0.00	0.00	0.00	0.00	0.00	

Figure 15: Translated Trial Balance Preview (25.630.00)

Definition Exception Report (25.640.00)

The *Definition Exception Report* (25.640.00) lists accounts and subaccounts that have activity but are not yet included in the *Translation Definition* (25.250.00) screen. This information can be used to verify that all active accounts have been identified in your translation definition.

Date: Tuesday, September 11, 2007 Time: 09:14AM User: SYSADMIN		Contoso, Ltd <u>Definition Exception Report - Standard</u>		Page: 1 of 1 Report: 25640.rpt Company:	
Definition ID:	CAD	Source Ledger ID: Source Cury ID:	ACTUAL BAS	Destination Ledger ID: Destination Cury ID:	CANADIAN CAD
Account	Subaccount	Active	Acct Type	PTD Bal	YTD Bal
1030	01-100-AA-00-00-1	A	A	-125.25	2,197,002.31
1030	03-440-AA-00-51-0	A	A	0.00	0.00
1031	01-100-AA-00-00-1	A	A	0.00	250,000.00
1037	01-100-AA-00-00-1	A	A	0.00	-25,341.85
1037	03-440-AA-00-51-0	A	A	0.00	-880.79
1041	01-100-AA-00-00-1	A	A	0.00	11,562.00
1170	01-100-AA-00-00-1	A	A	6,895.14	13,790.28
1191	01-100-AA-00-00-1	A	A	7,568.42	15,138.84
1620	00-000-00-00-00-0	A	A	0.00	2,500,658.94
1621	00-000-00-00-00-0	A	A	0.00	-15,004.40
1630	00-000-00-00-00-0	A	A	0.00	650,000.00
1631	00-000-00-00-00-0	A	A	0.00	-15,476.20
1640	00-000-00-00-00-0	A	A	0.00	1,850,954.56
1641	00-000-00-00-00-0	A	A	0.00	-81,448.48
1650	00-000-00-00-00-0	A	A	0.00	100,000.00
1651	00-000-00-00-00-0	A	A	0.00	-3,750.00
1660	00-000-00-00-00-0	A	A	0.00	95,800.00
1661	00-000-00-00-00-0	A	A	0.00	-3,733.34
1670	00-000-00-00-00-0	A	A	0.00	1,985,756.23
1671	00-000-00-00-00-0	A	A	0.00	-110,319.80
1820	01-100-AA-00-00-1	A	A	0.00	25,341.85
1850	00-000-00-00-00-0	A	A	-50,000.00	-50,000.00
1850	01-100-AA-00-00-1	A	A	-31,562.00	-31,562.00
1880	00-000-00-00-00-0	A	A	0.00	5,250.00
1910	00-000-00-00-00-0	A	A	0.00	153,257.56
1910	01-100-AA-00-00-1	A	A	0.00	25.25
1910	03-440-AA-00-51-0	A	A	0.00	0.00
1911	00-000-00-00-00-0	A	A	125.25	12,536,700.51
2020	00-000-00-00-00-0	A	L	0.00	-563.25
2020	03-440-AA-00-51-0	A	L	0.00	0.00
2025	00-000-00-00-00-0	A	L	0.00	19,535,654.18
2025	00-000-00-00-00-0	A	L	563.25	563,227.04

Figure 16: Definition Exception Report (25.640.00)

Translation Proof Report (25.650.00)

The *Translation Proof Report* (25.650.00) lists information resulting from calculations different from those performed by the financial statement translation process (these calculations are based on destination ledger balances and activity, and exchange rate fluctuations). This information can be used to verify the accuracy of the translations performed and to validate translation gain or loss amounts.

The report details are separated by account type. Then the subtotals are summarized, taking into account a negative sign for income and liability account types.

Contoso, Ltd Translation Proof Report - Standard									Page: Report: Company:	1 of 2
Trn Def ID: Period:	CAD 199912	Source Ledger ID: Reporting Ledger ID:	ACTUAL CAD	Source Cury ID: Reporting Cury ID:	BAS CAD	Prior Per Balance Sheet Rate: Current Period Balance Sheet Rate: Current Period Average Rate:	Divide Divide Divide		1.20000000 1.20000000 1.20000000	
Account	Source Cury Prior Period Ending Bal	Source Cury Current Period Ending Bal	Reporting Cury Prior Period Ending Bal	Reporting Cury Current Period Activity	Reporting Cury Current Period Ending Bal	Translation GL: On Opening Bal	Translation GL: On Period Activity	Total Current Per Translation GL		
Assets										
1030	12,345,678.90	12,345,678.90	0.00	10,288,066.75	10,288,066.75	0.00	0.00	0.00		
1037	625,321.94	625,321.94	0.00	521,101.62	521,101.62	0.00	0.00	0.00		
1040	0.00	698,425.39	0.00	548,697.83	548,697.83	0.00	0.00	0.00		
1620	2,500,658.94	2,500,658.94	0.00	2,083,882.45	2,083,882.45	0.00	0.00	0.00		
1621	-15,004.40	-15,004.40	0.00	-12,503.67	-12,503.67	0.00	0.00	0.00		
1630	650,000.00	650,000.00	0.00	541,666.67	541,666.67	0.00	0.00	0.00		
1631	-15,476.20	-15,476.20	0.00	-12,896.83	-12,896.83	0.00	0.00	0.00		
1640	1,850,954.56	1,850,954.56	0.00	1,542,462.13	1,542,462.13	0.00	0.00	0.00		
1641	-61,448.48	-61,448.48	0.00	-51,207.07	-51,207.07	0.00	0.00	0.00		
1650	100,000.00	100,000.00	0.00	83,333.33	83,333.33	0.00	0.00	0.00		
1651	-3,750.00	-3,750.00	0.00	-3,125.00	-3,125.00	0.00	0.00	0.00		
1660	95,600.00	95,600.00	0.00	79,666.67	79,666.67	0.00	0.00	0.00		
1661	-3,733.34	-3,733.34	0.00	-3,111.12	-3,111.12	0.00	0.00	0.00		
1670	1,985,756.23	1,985,756.23	0.00	1,654,796.86	1,654,796.86	0.00	0.00	0.00		
1671	-110,319.80	-110,319.80	0.00	-91,933.17	-91,933.17	0.00	0.00	0.00		
1850	0.00	-50,000.00	0.00	-41,666.67	-41,666.67	0.00	0.00	0.00		
1860	5,250.00	5,250.00	0.00	4,375.00	4,375.00	0.00	0.00	0.00		
1910	153,257.56	153,257.56	0.00	127,714.63	127,714.63	0.00	0.00	0.00		
1911	12,536,575.26	12,536,700.51	0.00	10,447,250.43	10,447,250.43	0.00	0.00	0.00		
Assets Total										
						0.00	0.00	0.00		
Liabilities										
2020	-563.25	-563.25	0.00	-469.38	-469.38	0.00	0.00	0.00		
2025	19,535,654.18	19,535,654.18	0.00	16,279,711.82	16,279,711.82	0.00	0.00	0.00		
2030	329,911.62	988,337.01	0.00	823,614.18	823,614.18	0.00	0.00	0.00		

Figure 17: Translation Proof Report (25.650.00)

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