priority

Financial Statement Generator Script

Clip Link: http://www.priority-software.com/eshbel.com/Movie_Search/Financial_Statement_Generator.htm
Note: Yellow highlights indicate action instructions.

*HEADINGS ARE NOT MEANT TO BE READ ALOUD.

BEFORE YOU BEGIN:

PERFORM THE RECORDING IN COMPANY **GLOBAL PAPER CORP**.

THE FOLLOWING REPORTS SHOULD BE DEFINED IN THE **MAKEUP OF FINANCIAL STATEMENTS** FORM:

- PROFIT AND LOSS - SUMMARY
- PROFIT AND LOSS - DETAILED
- TRIAL BALANCE

IN THE **DEFINITION OF COLUMN BARS** FORM, THE FOLLOWING BARS SHOULD BE DEFINED. THE COLUMN BARS WILL DEMONSTRATE USE OF THE **HIDDEN**, **EXPRESSION** AND **GROUP** COLUMNS:

- TRIAL BALANCE SEMI ANN COMBINED
- QUARTERLY COMPARISON (P&L)
- EQUITY OPERATING P&L BY DIVISION

IN THE **COLUMNS IN BAR** FORM, SUB-LEVEL OF **DEFINITIONS OF COLUMN BARS**, DRAG THE RED PIN TO THE **DESCRIPTION** COLUMN SO THAT THE DESCRIPTION WILL REMAIN CLEAR WHEN SCROLLING RIGHT IN THE FORM

SET UP MULTI-COMPANY FINANCIAL DATA WHICH WILL APPEAR IN THE REPORTS.

BEFORE YOU RECORD, RUN **RUN FINANCIAL STATEMENT**, SELECTING "PROFIT AND LOSS - DETAILED" REPORT TYPE AND " QUARTERLY COMPARISON (P&L)" COLUMN BAR SO THAT THE REPORT WILL BE AVAILABLE FOR DISPLAY IN THE CLIP. THIS IS EXAMPLE **A**.

OPEN THE **COMPANIES** FORM IN ADVANCE

OPEN THE **ACCOUNT TREE** FORM IN ADVANCE

Introduction (00:00-01:12)

[SHOW EXAMPLE A: DETAILED P&L USING THE QUARTERLY COMPARISON (P&L) COLUMN BAR]This clip demonstrates how to design custom financial statements in ***Priority*** that provide real-time, actionable information on company performance. The **Financial Statement Generator** gives you the flexibility to customize balance sheets, profit and loss reports, trial balances and account tree statements.
Priority's customized financial statements are made up of two components: a template that determines which report items appear in each row of the statement[HIGHLIGHT ROW BY ROW] and a column bar that determines the report columns to be included in the

statement[HIGHLIGHT COLUMN BY COLUMN]. This separation between report items and columns enables you to mix and match different types of statements and column bars. For instance, you can generate multiple reports based on the same P&L template in combination with a variety of different column bars to view data for different periods: a profit and loss report which displays data using a consolidated yearly column bar, or using a comparative quarterly report; or a statement of operations which displays data by company divisions, for examining the financial performance of different companies that operate in similar fields.

Creating Report Templates (01:13-03:03)

Report items for each type of statement are generally created automatically, by running the **Create Customized Statement** program[MINIMIZE ALL SAMPLE REPORTS TO SHOW PRIORITY]. This program generates a new template for the selected type of statement based on the definitions[OPEN MENU PATH: **Financials > Maintenance of Financials > Basic Data > Report Setups**] recorded in one or more of the forms located in the **Report Setups** menu[HIGHLIGHT THE FIRST FIVE MENU ITEMS: **Bal. Sheet/P&L Report Headings**; **Bal. Sheet/P&L Items-/GL Accounts**; **Bal. Sheet Items - A/R Account**; **Bal. Sheet Items - A/P Account** AND **Trial Balance Items**]. In addition, the relevant accounts are attached automatically to each report item based on definitions recorded in the chart of accounts[WITHOUT LEAVING **Report Setups** MENU, HIGHLIGHT THE **General Ledger** MENU APPEARING NEAR THE TOP OF THE SCREEN]. In the case of an account tree statement, the structure and accounts used in a standard report are defined in the **Account Tree** form[HIGHLIGHT IN MENU]. We'll discuss this type of statement in greater detail later on in this video.

Once you have ensured that the standard setup of each type of report meets your needs, you can begin creating customized statements. Let's run the **Create Customized Statement** program[MENU PATH: **Financials > General Ledger > Financial Statements > Financial Statement Generator**] and choose the desired report type – in this case, a Profit & Loss report[PRESS **OK** TO MOVE TO NEXT INPUT SCREEN]. You can then choose between[POINT TO EACH] a **Regular** report, which combines sums for each report item, and a **Schedule**, which displays the details of each account under each report item, together with the total balance of each item[CHOOSE **Regular**]. Finally, assign the report a title[SAMPLE P&L STATEMENT. THEN PRESS Esc TO EXIT THE PROGRAM WITHOUT CREATING A NEW REPORT].

Once you have created a custom report template, it is ready for immediate use. Alternatively, you can use the different sub-levels of the **Makeup of Financial Statements** form to view or update definitions as desired[MOVE TO LINE FOR Profit and Loss - Detailed]. For instance, you can use the **Items in Statement** sub-level form to modify the structure of the report, adding or revising elements such as headings and sub-headings[HIGHLIGHT FIRST ROW, CIRCLE **Title** COLUMN], and defining how these elements are organized within the statement[HIGHLIGHT ENTIRE **Ln** COLUMN].

Defining Subtotals at Multiple Levels (03:04-06:49)

We'll demonstrate the options for defining the statement items using a report we defined in advance, "Profit and Loss - Detailed".[HIGHLIGHT **Statement Title** IN UPPER-LEVEL]. In a custom financial statement, you can include as many lines for subtotals as you need. The different levels of totals and subtotals are defined in the system by assigning each row the appropriate **Information Level**[HIGHLIGHT COLUMN] in the **Items in Statement** form. **Information Level**s 1 and 2 are assigned to rows representing headings and subheadings[HIGHLIGHT A ROW WITH **Information Level** 2]. An **Information Level** of 3[HIGHLIGHT A ROW WITH **Information Level** 3] represents an individual report item. Level 4[HIGHLIGHT A ROW WITH **Information Level** 4] and higher indicates a total or subtotal.

Each total or subtotal defined in the report must be assigned one level more than the rows to be totaled. Let's use a profit and loss report to better illustrate this concept[SHOW EXAMPLE A]. A standard profit and loss report lists the amounts credited to various accounts over the designated period, displaying[HIGHLIGHT CORRESPONDING SECTIONS AS MENTIONED] the sums representing various types of income and corresponding subtotals, followed by a row totaling all income and then adding the total income to the total cost of goods sold in order to attain a sum representing your gross profit. The report then lists any additional expenses representing your organization's operating costs and finally, displays a grand total representing the organization's net profit for the period in question[HIGHLIGHT CORRESPONDING SECTIONS AS MENTIONED]. [MINIMIZE REPORT TO RETURN TO **Makeup of Financial Statements** FORM]This hierarchy can be represented in terms of information levels as follows: Each report item[HIGHLIGHT A REPORT ITEM] is represented in its own line and assigned an **Information Level** of 3. After listing any report items representing a given type of income (e.g., income from domestic sales, income from foreign sales, commissions), a corresponding subtotal is inserted by adding a line with an Information Level of 4[HIGHLIGHT A LEVEL 4 SUBTOTAL]. Each Level 4 subtotal[HIGHLIGHT NEXT LEVEL 4 SUBTOTAL] sums up all preceding report items at Level 3, up until the previous Level 4 subtotal[CIRCLE RELEVANT ITEMS]. This pattern is repeated for each type of income in turn until all income has been listed, at which point we add a line representing the total income and assign it an **Information Level** of 5[HIGHLIGHT]. We then list the report items and corresponding subtotals representing various costs associated with the sold goods, assigning each an **Information Level** of either 3 or 4, respectively[SCROLL DOWN TO SHOW].

The line representing the total cost of goods sold is once again assigned an **Information Level** 5[HIGHLIGHT] – this indicates that the amount in this line is to be calculated by summing up Level 4 subtotals, but only up until the previous Level 5 subtotal[CIRCLE THE RELEVANT ITEMS]. At this point in the report template, we'll add a line that sums up both the total income, and the total cost of goods sold, by assigning it an **Information Level** of 6[HIGHLIGHT]. This line, then, represents your gross profit for the period in question.

As you can see, proper use of **Information Levels** ensures that you never have to worry about missing an amount somewhere, or getting an incorrect total by picking up an amount more than once. Moreover, the same logic can be used to define additional levels of totals and subtotals by assigning each an information level that is one level higher than the lines to be totaled, up to level 99. In the current example, the final line of the report[SCROLL ALL THE WAY DOWN] is assigned an **Information Level** of 8[HIGHLIGHT]. This line is used to calculate the organization's net profit, by deducting the total operating expenses from the gross profit.
This template can now be used in conjunction with any applicable column bar to generate a P&L statement such as the one we just saw[RESTORE EXAMPLE A, THEN MINIMIZE]. The use of column bars will be explained shortly.

Defining Accounts in the Statement (06:50-12:43)
[RETURN TO **Makeup of Financial Statements** AND MOVE TO LINE FOR TRIAL BALANCE]After having defined the structure of the report, including the items, headings, totals and subtotals, let's demonstrate the definition of accounts in the report, so that the relevant data will be displayed for each item. We'll be using a trial balance report[HIGHLIGHT **Statement Title** IN UPPER-LEVEL]. To do so, move to the **Accounts in Statement** sub-level form.
Accounts defined in the system are linked to the relevant report items using one of the following[HIGHLIGHT EACH WHEN RELEVANT]:

- **Bal Sheet/P&L Item**[READ: BALANCE SHEET/P&L ITEM]
- **Trial Bal Item**[READ: TRIAL BALANCE ITEM]
- **Group** of accounts
- Or individual **Account** numbers.

Accounts can be linked to report items automatically or manually. When you run the **Create Customized Statement** program[HIGHLIGHT IN MENU], accounts are linked to the relevant items automatically, according to the type of statement being built and the statement structure defined in the system at the time. For example, if you build a trial balance statement, the items will be linked to accounts according to the **Trial Bal Item**[READ: TRIAL BALANCE ITEM] defined for each account when you run the program.
The second option is to manually create the report and its items, then link the accounts or group of accounts to the items in this form.
Since the Financial Statement Generator is used in a multi-company setting, it's important to define the accounts in each company in a similar structure, so that the definitions you record here in one company will apply to the others as well. For example, you should define all your trial balance items in the same way, or decide that all your expense accounts begin with a 6.
Let's examine the form closely. Note that accounts are defined here only for lines with an information level of 3, as defined in the parallel **Items in Statement** form[HIGHLIGHT FORM TITLE]. The **Debit Item** and **Credit Item** columns[HIGHLIGHT BOTH] list the lines

defined in the parallel form. For example, item 160 here[HIGHLIGHT] defines the accounts included[MOVE TO PARALLEL FORM] in line "160" of the parallel form, in this case: Main Cashier[GO BACK TO **Accounts in Statement**]. The item includes all those accounts for which a trial balance item of "100"[HIGHLIGHT] has been defined. You can combine several account definitions in the same line – for example, you can define a **Trial Bal Item** together with an **Account No.**[HIGHLIGHT BOTH COLUMNS TOGETHER]. Note that you can include an asterisk in these definitions to catch a wider range of accounts or items. For example, you can record "1*"[READ: ONE, ASTERISK] in the **Account No.** column[FOR SAME LINE] to include all the accounts that begin with "1".

You can use this form to include an account under different report items than the one they are usually assigned to, and, in trial balance reports, add a control line to make sure all your accounts are included, as we'll see in a moment.

For example, you can "extract" an account from the usual group of accounts to which it belongs, and assign it to a different group, by adding a new line and recording the number of the account and the credit/debit item to which it belongs[UNDER **Credit Item**=170 OPEN A NEW LINE. IN THE NEW LINE, **Account No.**=104000 AND **Credit Item**=170]. In the **Account No.** column, press **F6** to see the definitions of this account in the system. As you can see, the **Trial Bal Item** of this account is usually 104[SHOW]. Returning to the report definitions[**Esc**], you can see that line 170, to which we linked this account, is assigned a **Trial Bal Item** of 102[SHOW]. When you produce the report, the system will automatically extract this account from item 104, and add it to 102.

In a trial balance report, you'll want to make sure all your accounts are included. Therefore, we recommend you add a line at the end which "catches" any errant accounts. First, let's move back to the **Items in Statement** parallel form, and add a new line with an **Information Level** of 3. We'll call it " Non-Assigned Accounts "[IN THE **Title** COLUMN]. In the "line"[Ln] column, record a number that hasn't been assigned yet to any other line, 9999, and flag the **Detail** column. Back in the **Accounts in Statement** form, scroll down to the bottom of the list and open a new line. Type an asterisk "*" in the **Account No.** column, and under the **Debit Item** column, record the new line you just created, 9999. The **Credit Item** is filled in automatically with the same number[HIGHLIGHT]. Since the new line appears at the bottom of the list, the system will automatically exclude all the accounts that were already included in the report, and will display only those accounts that don't appear anywhere else. Let's quickly run the financial statement to see the results[**Run Financial Statement**, REPORT TYPE=Trial Balance, COLUMN BAR=Trial Balance Semi Ann Combined, **Transaction/Ref Date**=*, MAKE SURE **Display 0 Balances** IS FLAGGED. **OK**]. In the message that appears, you can see that, for some of the companies, no accounts are included in the control line, meaning the account definitions are correct[ALLOW ENOUGH TIME TO READ 2 SENTENCES OF THE MESSAGE].

Scrolling down to the bottom of the report, you can see that an account appears under "Non-Assigned Accounts". Click on it to access the account definitions in ***Priority***. You can see that the **Trial Bal Item** column is defined as 631[HIGHLIGHT], but returning to the report definition[GO BACK TO **Makeup of Financial Statements**, TO THE **Accounts in**

Statements SUB-LEVEL] and retrieving by **Trial Bal Item** of 631[PRESS **F11** TO MOVE TO QUERY MODE, THEN RETRIEVE], no result appears, meaning that no item in the statement has been assigned this trial balance item. To include the account in the report, simply add a new line with a **Trial Bal Item** of 631 and record the relevant definition in the **Debit Item** and **Credit Item** columns[1260] to include it in the statement. When all accounts are defined correctly, the control line in the report should display "0".

Defining Column Bars (12:44-15:58)

Having reviewed report templates[RETURN TO PRIORITY], let's address the other component used to generate a custom financial statement - the column bar. Column bars determine which columns appear in a given custom-made report. A variety of column bars can be defined: one for a monthly report, another for the entire fiscal year, a third for comparing 1st quarter and 2nd quarter data, and so on. Moreover, you can include percentile columns alongside or in place of sum totals. Let's enter the **Definition of Column Bars** form to see an example.

"Quarterly Comparison P&L" [READ "profit and loss". HIGLIGHT "QUARTERLY COMPARISON (P&L" COLUMN BAR] is a column bar that compares quarterly data from this year with the previous one, and presents the change from one year to the next as a percentage. Note that this column bar is defined as available for **General Use**[HIGHLIGHT COLUMN], ensuring that it is available for any user who runs a report.

The columns are defined in the **Columns in Bar** sub-level form. We've defined several columns for the first quarter of 2012, one for each company[HIGHLIGHT Q1 2012 ROWS], additional columns for the same quarter in 2011[HIGHLIGHT Q1 2011 ROWS], and a calculated column which displays the difference between them [HIGHLIGHT "% Change" ROW].

Each column is assigned both a **Title**[HIGHLIGHT], which appears at the top of the report column, and a number[HIGHLIGHT **Column Number**], which determines its relative position in the report. Columns appear in ascending order[HIGHLIGHT 1, THEN 2, THEN 3], from left to right.

For every column you define, assign a **Column Type**[HIGHLIGHT], which can be used to display[OPEN CHOOSE LIST TO POINT OUT THE OPTIONS MENTIONED] account balances at the beginning[**1**] or end[**3**] of a given period; the total value of transactions within a given span of time[**2**]; or a calculated value[**4**] or percentage[**5**] based on the sums in other report columns[IF POSSIBLE, LEAVE CHOOSE LIST OPEN].

Most types of columns – with the exception of calculated or percentage columns – also require you to indicate a date or range of dates for which to display sums in the reports being run. The **Period Start** and **Period End** options are used to define columns displaying opening or closing balances, respectively, as of[HIGHLIGHT **From Date** COLUMN] or up to[HIGHLIGHT **To Date** COLUMN] a particular date. Together with the **Period Debit** and **Period Credit** columns[HIGHLIGHT IN CHOOSE LIST], they are usually used in trial balance reports. **Period End** columns are also suitable for balance sheets. **Period Totals** are usually used in P&L reports. When selecting these column types, make sure you also

indicate the start and end dates of the period in the **From Date** and **To Date** columns[HIGHLIGHT COLUMNS].
Note that you can also specify a different **Currency**[HIGHLIGHT] for different report columns. This option is useful in consolidated reports of several companies for which different currencies are defined. In such a scenario, you should define one common currency in the report, so that the financial data will be comparable.
This column bar makes use of the **Hidden** column[HIGHLIGHT, HOVER WITH MOUSE OVER THE COLUMN SO THAT TOOLTIP DISPLAYING THE COLUMN NAME APPEARS]. In the column bar we designed, we opted to hide the details of the first quarter of 2011, and display only the summary data.

Defining Calculated Columns (15:59-17:46)
The last column[HIGHLIGHT **Title**: "% Change"] presents the change from the first quarter in the previous year to the first quarter this year – in other words, the percentage of difference between the amounts in the two summary columns[SCROLL RIGHT SO THAT THE **Expression** COLUMN WILL BE DISPLAYED]. This column has been defined as a "calculated" column[HIGHLIGHT **Column Type**] so that you can define mathematical operations performed on the values in other columns. Let's take a closer look at the expression itself. The first calculated column[HIGHLIGHT **Expression** COLUMN FOR 1ST CALCULATED COLUMN] summarized the data of all three companies in the first quarter of 2012, and the second calculated column[HIGHLIGHT IN SAME FASHION] summarized the same data for 2011. The expressions can incorporate any combination of standard mathematical symbols, integers and predefined functions such as SUM, MAX, MIN and AVG, alongside references to other columns in the same column bar. Note the hash, or number sign (#)[HIGHLIGHT], which denotes a reference to the other columns defined in the bar.
In the third calculated column[HIGHLIGHT], we've defined the following expression: subtraction of the total sum for 2011 from the total sum for 2012, divided by the total sum for 2011 and multiplied by 100, so that the number will appear as a percentage. You can see a detailed explanation on how to define expressions by pressing **F1** within the column[DISPLAY HELP TEXT. ALLOW ENOUGH TIME FOR VIEWERS TO READ SEVERAL SENTENCES].
Looking back at the report we ran a few moments ago using this column bar, you can see how the expression we've just reviewed is reflected in the last column[HIGHLIGHT. SHOW FOR A GOOD NUMBER OF SECONDS].

Defining Columns for a Specific Division (17:47-18:49)
We've already seen how ***Priority*** enables you to define a report column that displays data for a specific company, in the context of a consolidated financial report. Similarly, if you categorize companies into divisions, you can define a report column for a specific division, in order to display data for all companies in that division[RETURN TO UPPER-LEVEL **Definition of Column Bars** FORM].

For example, in a multi-national corporation comprising a number of smaller companies, each company's logistic and financial data are maintained separately in ***Priority***. However, when running consolidated statements for the entire corporation[MOVE TO THE LINE FOR Equity Operating P&L by Division AND HIGHLIGHT THE LINE], you may not want to display a separate column for each company, but rather display aggregated data for all the companies in each division.
In this case, you would create one column for each division[IN SUB-LEVEL FORM, HIGHLIGHT THE **Division** DEFINED IN THE RELEVANT LINES]. If a new company is acquired at any time[MOVE TO OPEN **Companies** FORM], you need only assign it[LOCATE A COMPANY THAT IS NOT ASSIGNED A DIVISION] to the relevant **Division**[MOVE TO **Division** COLUMN AND RECORD THE NAME OF AN EXISTING DIVISION] to ensure that financial data for that company is included in the relevant column in any subsequent financial statements.

Tree of Accounts (18:50-21:13)
In many companies, it's common practice to maintain a hierarchal account structure, or account tree. Let's move to the **Account Tree** form to demonstrate. The hierarchal structure is defined as follows: The highest level is defined as a number, as we see with Assets[SHOW ROW 1 - ASSETS]. The next level, Current Assets, is defined as 10[READ: "ONE ZERO" ; SHOW] and so includes all accounts beginning with "10"[READ: "ONE ZERO"]. The Current Assets account is, in turn, included in Assets; and so on[SCROLL DOWN SLOWLY]. Level 2[SHOW] is at the same hierarchal level as Assets, and is defined as Liabilities. In this fashion, we continue adding branches to the tree[SCROLL DOWN TO 6], from 1 to 6; Expenses[SHOW].
Let's return to the **Makeup of Financial Statements** form to check the definitions of the report template we've just created[MOVE TO LINE "ACCOUNT TREE"]. Note that the **Totals Above Sums**[HOVER OVER THE COLUMN SO THE NAME APPEARS] option is flagged for this report, indicating that totals for each group appear *above*, rather than below, the list of sums included in the total.
In the **Items in Statement** sub-level form, you can see how the account branches are linked to report items. Take for example, line 30, Assets, defined as item "1**"[SHOW]. Notice the difference in the Information Level[HIGHLIGHT THE INFORMATION LEVEL COLUMN]. Here, we see that headings in this statement have been assigned an **Information Level** of 98 or 99[SHOW], meaning that the totals appear above the sums, just as we defined in the upper-level form. However, the account patterns which define each report item[LOCATE A ROW WITH INFORMATION LEVEL 3 AND HIGHLIGHT IT] are assigned an **Information Level** of 3[HIGHLIGHT COLUMN], as in other types of statements.
Let's proceed to generate[RUN THE **Run Financial Statement** PROCEDURE] the report [SELECT "ACCOUNT TREE"] with the Trial Balance (Account Tree) column bar[Trial Balance (Account Tree)]. As you can see, the Account Tree report is organized according to the hierarchical account groupings defined in the **Account Tree** form[HIGHLIGHT GROUP

TITLES WHILE SPEAKING], and the total balance for each group appears above the component sums[HIGHLIGHT RELEVANT SUMS WHILE SPEAKING] for each of its sub-groups[SHOW THE REPORT LONG ENOUGH FOR THE VIEWER TO GET THE IDEA].

Design (21:14-21:36)

Finally, note that when working with customized financial statements, you can use the **Financial Statement Design** form[HIGHLIGHT FORM TITLE IN THE MENU; PATH: **Financials > General Ledger > Financial Statements > Financial Statement Generator**] to modify the style used for each level of the report.

This concludes our demonstration of ***Priority***'s Financial Statement Generator. For additional information, run the **Financ. Statemt Generator Wizard**[HIGHLIGHT IN MENU].