

# GLM140 Appropriation Accounts

## Overview

Profit and Loss Appropriation is a function used to transfer the resultant profit or loss value to the appropriate general ledger accounts. This allows for correct reporting of business proprietorship, assets and liabilities within the Balance Sheet. This can be performed on a monthly or yearly basis depending on Balance Sheet usage.

## Examples

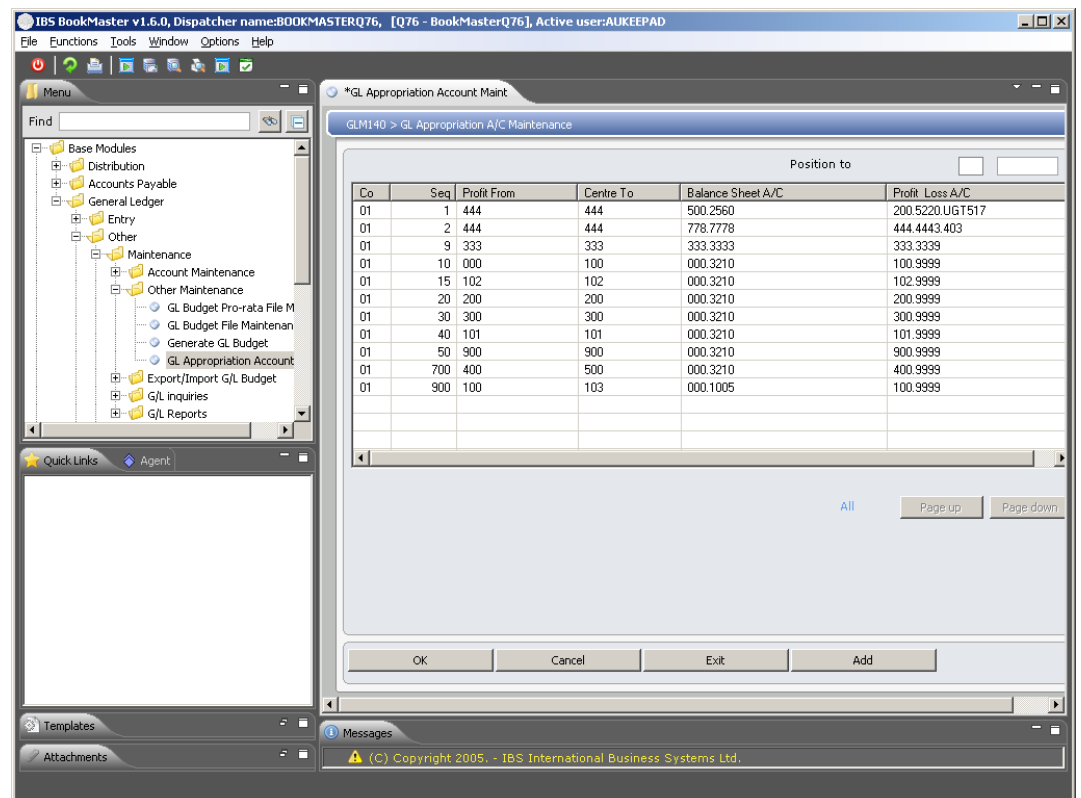
This section illustrates examples concerning:

[Example 1: Set up Appropriation Accounts](#)

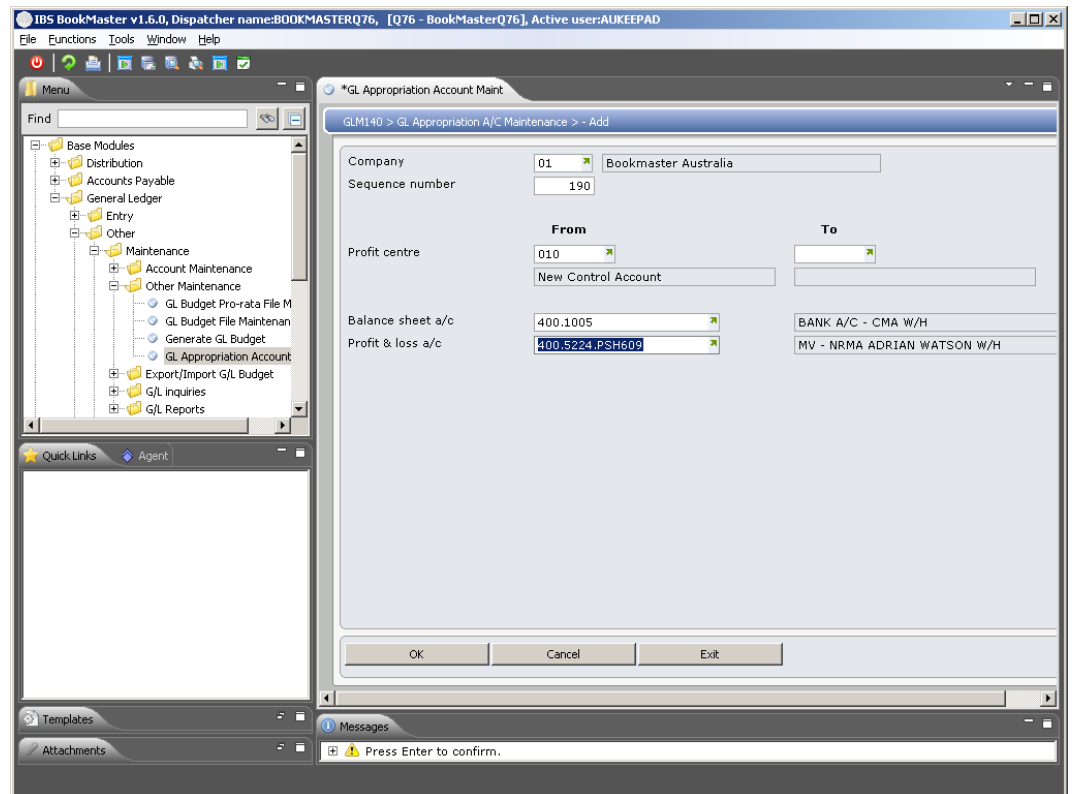
### Example 1: Set Up Appropriation Accounts

1. Select menu option **GL Appropriation A/C Maintenance** from Base Modules> General Ledger> Other> Maintenance> Other Maintenance menu

**Note** : Once set up the Accounts cannot be deleted. If any changes are made, the Profit Centre Account allocation and the General Ledger Report Writer should be considered.



2. Click **Add**.



## Relevant Fields

### Company

A company code associated with the Appropriation Account being added defaults.

### Sequence number

This sequence number defines the order of the definitions.

**Note:** The sequence number is used so that if duplicate definitions exist for one transaction the system only uses the first definition being the lowest sequence number.

In GL Appropriation Account Maintenance this sequence number is used if more than one appropriation account is to be established. This looks at the first profit centre, within the company selected. This field is mandatory.

In R/W Parameter File Maintenance for the first Template report, the sequence number should be 000. For all others, this is the sequence in which to print the reports within each report group.

### Profit centre

Enter a valid Profit Centre code or leave blank to select all. A range of Profit Centre codes can be included in the allocation.

### Balance sheet a/c

Enter a valid General Ledger Account number.

A Wild card (\*) can be used if the Balance Sheet values are to be posted to each individual Profit Centre instead of consolidating into one Profit Centre. This combination can only be used when selecting Profit Centre, Major Account, Minor account.

This cannot be used for a combination of profit centre and major account.

If the entry is not valid, the message **Invalid balance sheet**

***a/c – nonexist a/c or invalid format*** displays.

**Profit & loss  
a/c**

Enter a valid General Ledger Account number.

A Wild card ( \* ) can be used if the Profit and Loss values are to be posted to each individual Profit Centre instead of consolidating into one Profit Centre. This combination can only be used when selecting Profit Centre, Major Account, Minor account.

This cannot be used for a combination of profit centre and major account.

If the entry is not valid, the message ***Invalid profit & loss a/c – nonexist a/c or invalid format*** displays.

3. Click **OK** or press **<ENTER>** and this process is complete.

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### Checking the Posting of the Appropriation Account.

1. Print the General Ledger Trial Balance in summary mode.

2. Check the last page.

The Grand Total Debits and Credits should equal each other.

The Total Balance Sheet Debits and Credits should equal each other.

The Total Profit and Loss Debits and Credits should equal each other.

3. Print the Profit and Loss Statement as a consolidation on all levels.

Do not print zero lines.

Do not print closed profit centres.

Select to print detail level (3) Totals.

4. Check the last page.

The profit/loss is printed to the Unappropriated Funds account.

5. Period End Processing

Select the menu option to post the Unappropriated funds account to the Balance Sheet.

6. Print the Profit and Loss Statement as a consolidation on all levels again.

Check the last page.

The profit/loss account should now be zero.

7. Print the Balance Sheet to review the posting.