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ADempiere
The Professional Open Source Business Suite

Module 4
New Client Setup

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Module Objectives

- Go through the one time Process of Setup new Company
    1. Setup New Company (Client)
    2. Setup Chart of Account for the company
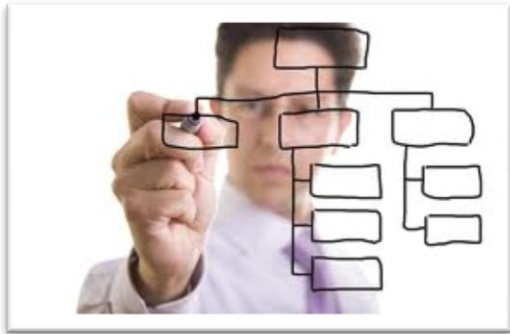   3. Setup Calendar, Year and Period

Module 4.1
Setup new Client

Requirement to setup new company in ERP

1) **Create new Client and define Organization Structure**

2) **Setup Chart of Account**

3) **Define Calendar Year and Period (Fiscal Year)**

Exploring Chart of Account Template

"Chart of Account is the Core of ERP System.

It is necessary to consult with the Accountant and come out with the Chart of Account for your own company."

- See sample chart of Account from *C:\Adempiere\data\import\AccountingUS.xls*
- Once ready, convert to CSV file which can be uploaded into ADempiere

Chart of Account

- ADempiere will use Chart of Account to generate **Account Combination** and **Default Account**

- Every Transaction will use it to **Post the GL**

Calendar Year and Period

Month End Closing

- During Setup New Client, ADempiere will create Periods for new year (i.e., 2011) marked as **"Never Opened"**

- In ERP system, it require **Period Control** (Open / Close) in order for Accounting Process to run properly.

- Open Period is required when **Complete** a document. Otherwise **Period Closed** warning message will be shown.

Setup New Client

- Login as System user
  - **Name:** System
  - **Password:** System
  - **Role:** System Administrator
  - **Client:** System
  - **Organization:** *

- Run **Initial Client Setup Process** (Menu > System Admin > Client Rules > **Initial Client Process)**

- Fill in all required info and click **Start** button
  - **Client Name:** ecosoft
  - **Org Key:** ecosoft
  - **Organization name:** ecosoft co., ltd.
  - **Admin User Name:** admin
  - **Normal User Name:** user
  - **Currency:** THB
  - **Country:** Thailand
  - Check all Accounting Checkboxes
  - **Chart of Account:** AccountingUS.csv

The Chart of Account will be reloaded again with new client. Here, the COA information is only used to reserve the space.

9

Setup New Client

- Logoff and then Re-Login with the new client
  - **User Name:** admin
  - **Password:** admin
  - **Role:** ecosoft Admin
  - **Client:** ecosoft
  - **Organization:** ecosoft co., ltd.
  - **Warehouse:** Standard

- Review the new client.
  - Open following windows and review
    - **Client**
    - **Organization**
    - **Warehouse**
    - **Roles, Users**
    - **Accounting Schema**
    - **Calendar Year and Period**
  - Now, necessary information has already been created with default values.
  - We can continue configure them to fit our real needs, i.e., add more warehouse, roles, users, etc. **But for now, just browse following window and see what information is created.**
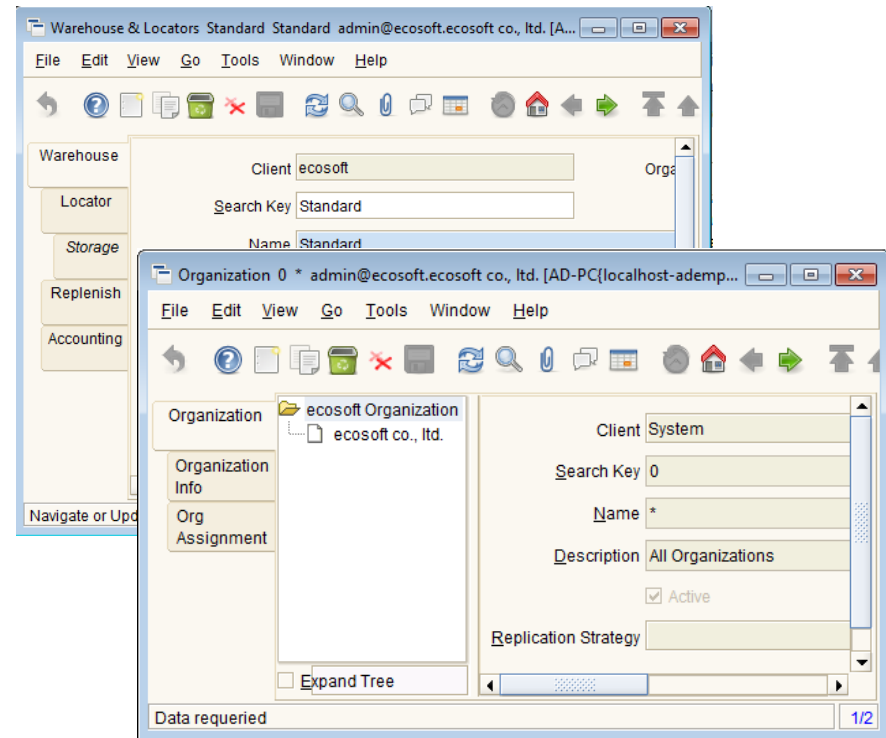
Re-Import Chart of Account

During the Initial Client Setup, the system imported only 71 default accounts. Complete list of accounts from predefined chart of accounts will be imported along with the File Loader and Account, and will be internally restructured and reconfigured by ADempiere.

- Login as **admin** to client ecosoft

- Open window Import File Loader
  - Select file to import
    - **<Select File to Load>:** AccountingUS.csv
    - **Import Format:** Accounting – Accounts
  - Click **OK** button to start loading into temporary **Import Account** window
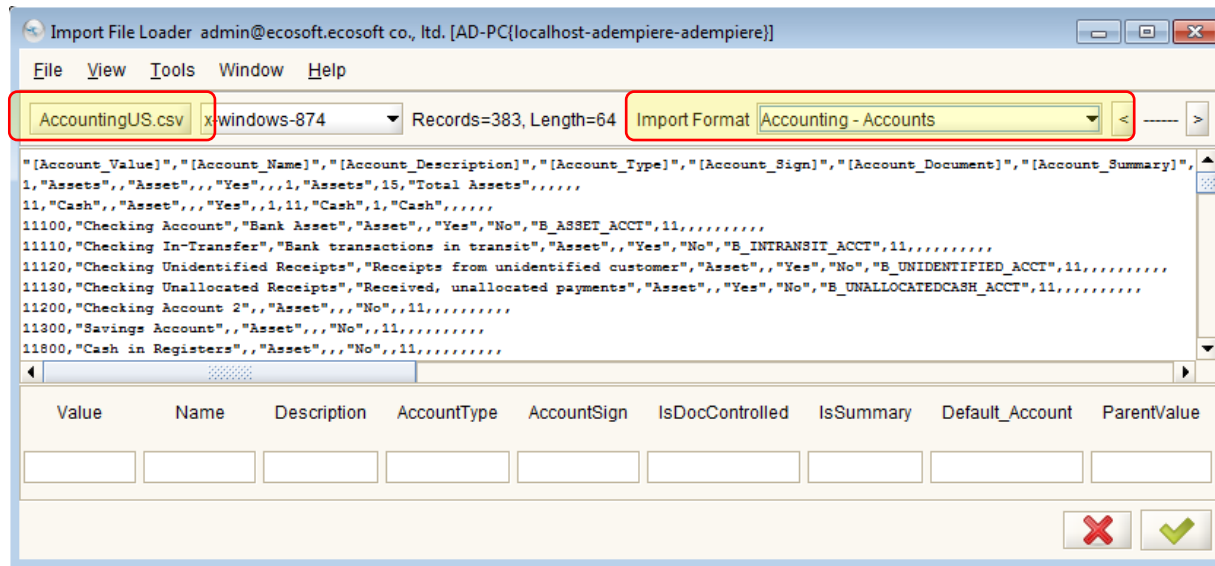
Re-Import Chart of Account (Continue)

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In previous step, the Chart of Account has been loaded into a temp table, and now ready to import

- Open **Import Account** window
  - Review data to be imported
  - Click **Import Accounts** button (this bring confirmation window)
  - On the confirmation window
    - **Client:** ecosoft
    - **Element:** ecosoft Account
  - Click **OK** button to import.

- To review, open **Accounting Element** window
  - You should now see that all 300+ accounts has been upload and arranged properly
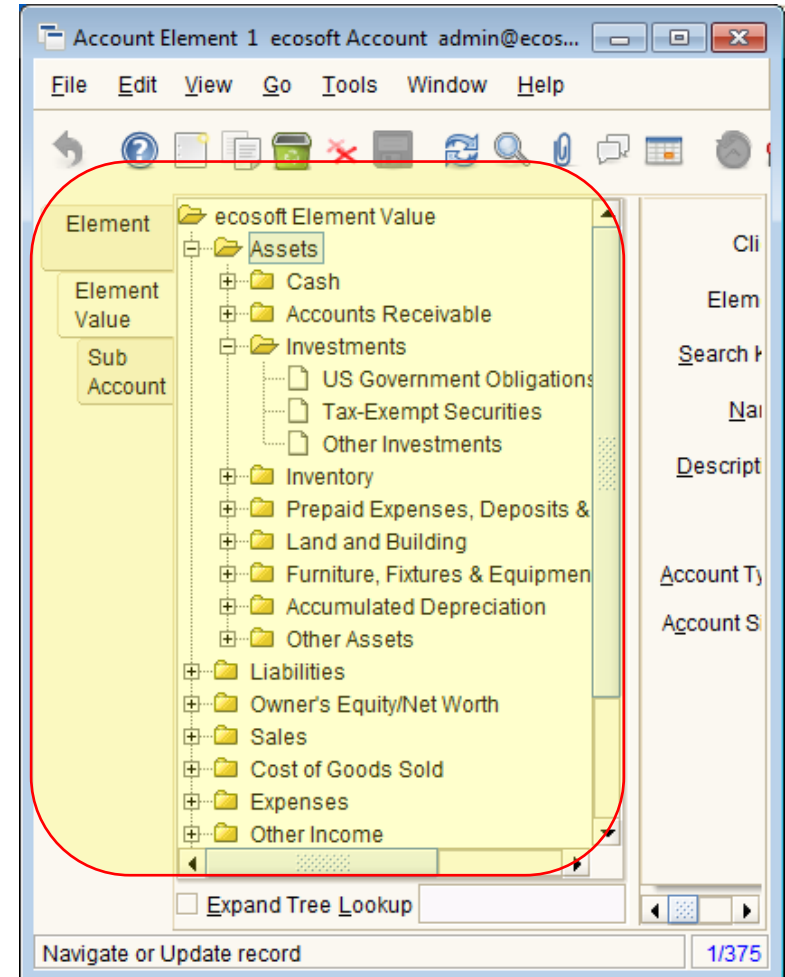
Open Calendar Period

*Year and Periods for currently year will be created automatically, but still mark as **Never Opened**. Without opening the period for current month, Document can't be completed. (Tested by open a new Sales Order and complete it, it will give **Period Closed** warning message)*

- Open **Calendar Year and Period** window
  - On **Calendar** tab, display **ecosoft Calendar**
  - Click on **Year** tab, with year 2011 selected
  - Click on **Period** tab, select current month
  - Click **Open/Close All** button and show confirm window
  - Select **Period Action = Open Period** and click OK
  - Click on Period Control tab, now you will see that Period is opened for all Doc Types

on	Period	Document BaseType	Active	Period Status
	Mar-11	AP Credit Memo	✔	Open
	Mar-11	AP Invoice	✔	Open
	Mar-11	AP Payment	✔	Open
	Mar-11	AR Credit Memo	✔	Open
	Mar-11	AR Pro Forma Invoice	✔	Open
	Mar-11	AR Invoice	✔	Open
	Mar-11	AR Receipt	✔	Open
	Mar-11	Payment Allocation	✔	Open
	Mar-11	Bank Statement	✔	Open

Module 4.2
Master Data &
Accounting Configuration

What else need to setup to start using ERP?

- **Sales Rules**

- **Business Partners**

- **Warehouses**

- **Pricing**

- **Payment Rules**

- **Tax Rules**

- **Logistics**

- **Finance**

- **Products**

- **Production Resources**

- **Bill of Material**

- **Accounting Configuration**

Business Partner Master Data

BPartner Group

**Greetings
Payment Term
Invoice Schedule** ↔ **Business Partner** ↔

BPartner Setups
1. **One or more Types**
   - Vendor
   - Customer
   - Employee
2. Locations
   - Ship – Invoice
   - Pay From – Remit To
3. Contact/User
4. Sales representative
5. Interest Area
6. Bank Account
7. Accounting
8. Withholding
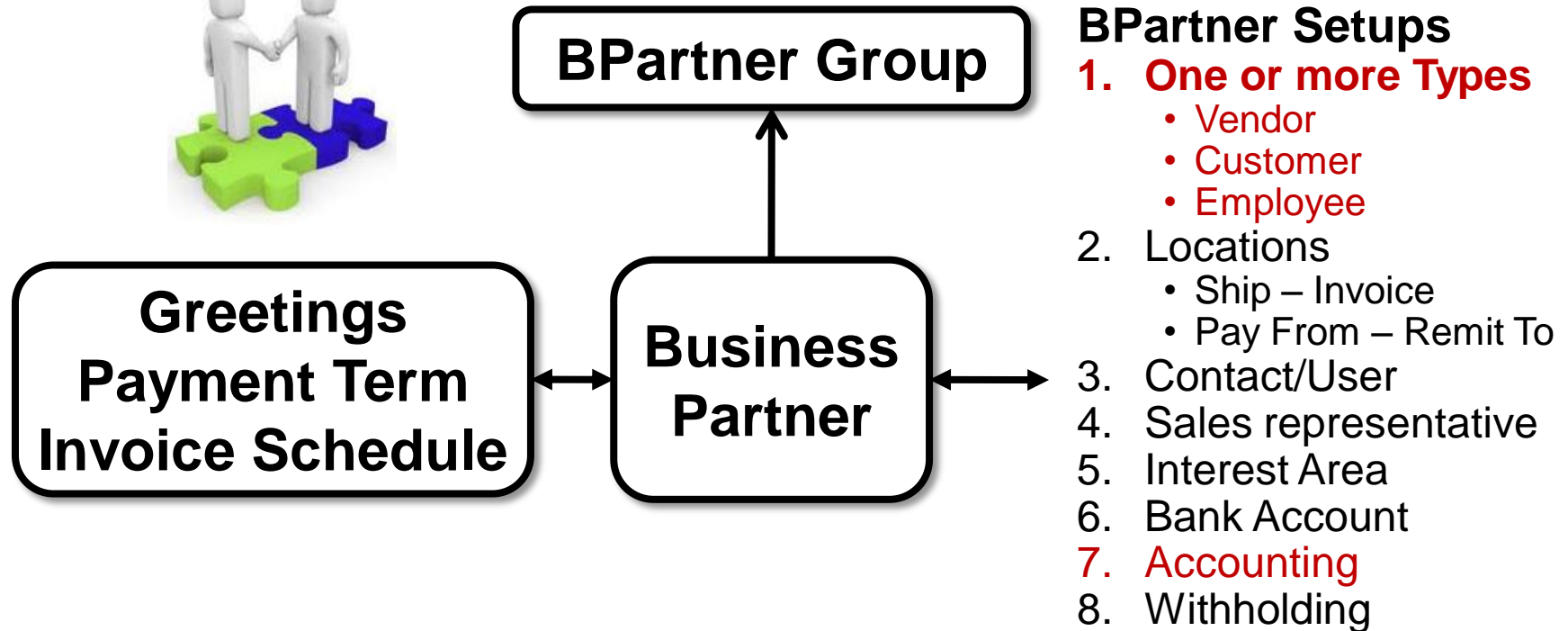
*** ADempeire manage all 3 entities (Vendor/Customer/Employee) together as "Business Partner"*
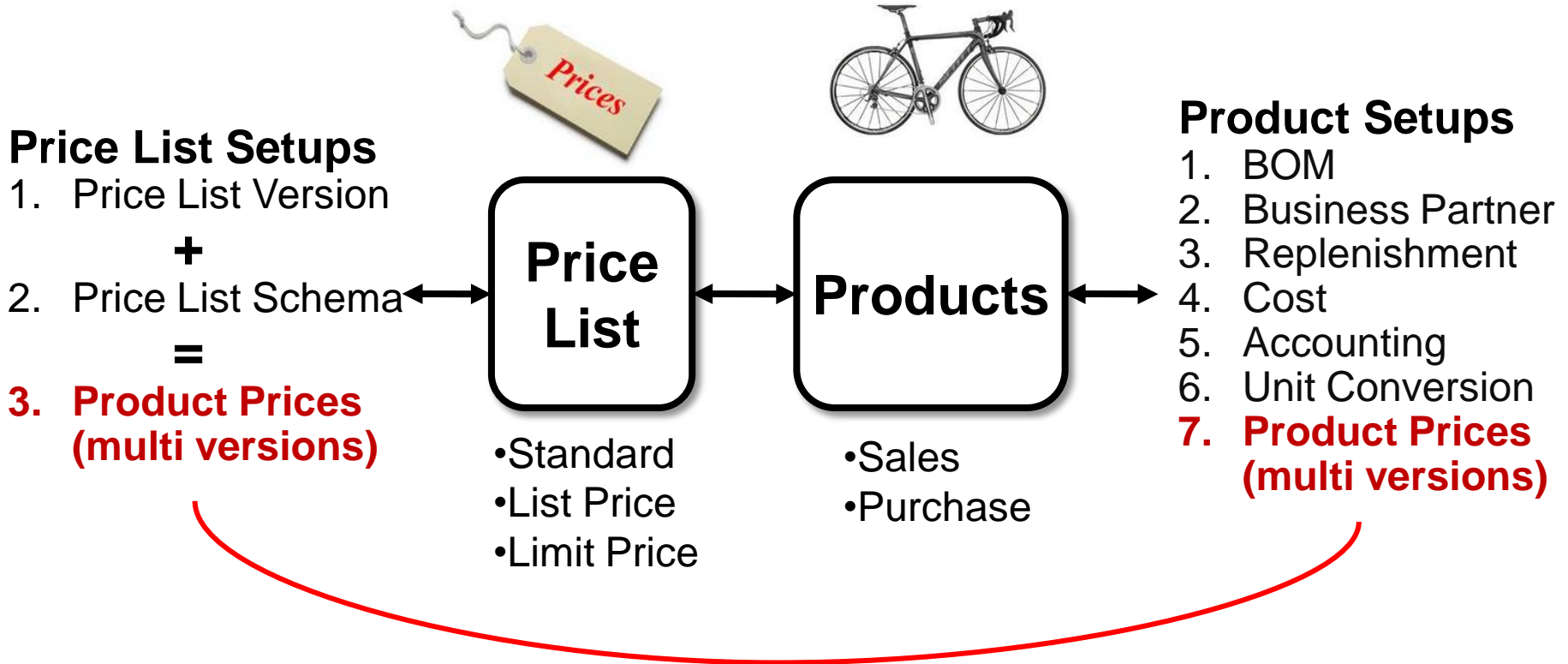- *This give Realistic 360° View, i.e., Reporting, Processing*
- *Access Rights, i.e., Customer/Vendor/Employee in Web Store, etc.*

Financial Master Data

Bank

Cashbook

Charge

Currency
(Conversion Rate)
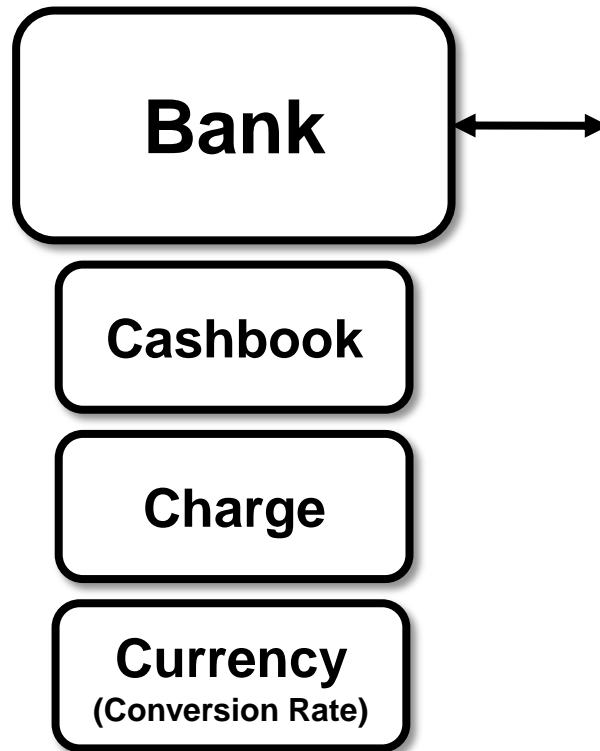
Bank Setups
1. Bank Account
   - Checking
   - Saving
2. Bank Account Document
   - i.e., Check Printing
3. Payment Processor
4. Statement Loader
5. Accounting

Product and Price Master Data

Price List Setups
1. Price List Version

+

2. Price List Schema

=

3. **Product Prices (multi versions)**

Price List

- Standard
- List Price
- Limit Price

Products

- Sales
- Purchase

Product Setups
1. BOM
2. Business Partner
3. Replenishment
4. Cost
5. Accounting
6. Unit Conversion
7. **Product Prices (multi versions)**

*During the creation of both the **Purchase Order** and **Standard Order** documents, ADempiere requires a price list. With this requirement, logically, we have to set up a price list along with product.*

Accounting Fact

Example: Invoice Customer

Document	Sign	Description
AR Invoice	Db	Account Receivable - Trade
	Cr	Trade Revenue

Account Viewer

Organization	Account	Accounted Debit	Accounted Credit	Product
Shirt	41000 - Trade Revenue	0.00	200.00	Shirt Finish Goods
Shirt	12110 - Accounts Receivable - Trade	200.00	0.00	
		200.00	**200.00**	

Re-Post ☐ Force   Enter Selection and Display criteria and start Query

Master Data's Accounting Configuration

- Sample: Accounting for **Product | Accounting**

Product Asset	HQ-14120-_-_-_-_	Product Expense	HQ-51200-_-_-_
Cost Adjustment	HQ-51300-_-_-_	Inventory Clearing	HQ-51400-_-_-_
Product COGS	HQ-51100-_-_-_		
Purchase Price Variance	HQ-58200-_-_-_	Invoice Price Variance	HQ-58100-_-_-_
Average Cost Variance	HQ-58800-_-_-_		
Trade Discount Received	HQ-59100-_-_-_	Trade Discount Granted	HQ-59101-_-_-_
Product Revenue	HQ-41000-_-_-_		

*When working with master or reference data, there is an **Accounting tab** within a window, which contains accounting configuration information. **Make sure that you select the Show Accounting Tabs option in Tools | Preference.***

All Master Data will have their own Accounting Configuration. These Account Combination is used to generate Accounting Facts for relevant transactions.

Default Account Combination

- 74 Default Accounting Combination on **Accounting Schema | Default**

> **"When a new master data, i.e., Product, Business Partner, etc is created, these account combination used by default.**
>
> **It can be changed to fit the real needs"**

Account Posting

For the Accounting Fact to be created, "Completed" document must be posted.

2 Ways to configure for Account Posting

1. **Automatic Account Posting (for production)**
   - Login as **Client Admin**
   - Setup posting interval at **Accounting Processer** Window
   - **Restart the Application Server**

2. **Immediate Account Posting (for testing purposes)**
   - Login there as **System Admin**
   - At System Configurator window, set CLIENT_ACCOUNTING to 'I' (Immediate as document is completed) or 'Q' (by hand)

Viewing Accounting Combination

*We will now back to use **GardenWorld** in our exercise, given that it has more data for testing.*

- Login to ADempiere as Client
  - **Username:** GardenAdmin
  - **Password:** GardenAdmin
  - **Role:** GardenWorld Admin
  - **Client:** GardenWorld
  - **Organization:** Fertilizer
  - **Warehouse:** Fertilizer

- Open **Account Combination** window.
  - You will see the list of Accounting Combination available for this Client.
  - These are ready to use in Master Data's Accounting Tab.
  - In the future, we will learn how to create new Accounting Combination, if they are not yet available.

Setup Account Posting Engine (as Manual)

- Login to ADempiere as System
  - **Username:** System
  - **Password:** System
  - **Role:** System Administrator
  - **Client:** System

- Open **System Configurator** window.
  - **Lookup Record:** CLIENT_ACCOUNTING
  - Set Search Key = Q
  - Click **Save**

- Logoff

This is done for testing purpose, so that user don't have to start Application Server. For Production, automatic posting by Application Server is recommended.
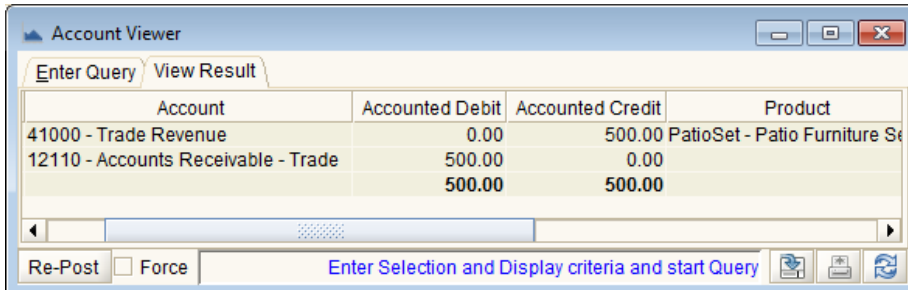
Test Account Posting

- Login to ADempiere as Client
    - **Username:** GardenAdmin
    - **Password:** GardenAdmin
    - **Role:** GardenWorld Admin
    - **Client:** GardenWorld
    - **Organization:** Fertilizer

- Create new Invoice (Customer)
    - Open **Invoice (Customer)** window.
    - Click **New**
        - **Target Document Type:** AR Invoice
        - **Business Partner:** C&W Construction
    - Click **Save**
    - Click **Invoice Line** tab to create new Invoice Line
        - **Product:** PatioSet
        - **Price:** 500
    - Click **Save**

- Complete and Post Invoice
    - Back to **Invoice** Tab, click on **Complete** button, and OK

- Once document is Completed, you will see **Not Posted** button [🌐 Complete]
- Click **Not Posted** button to create accounting entry. [📈 Not Posted]
- The button now become **Posted**

- View Accounting Fact
    - Click **Posted** button [📈 Posted]
    - Accounting Viewer will show the Facts created.

Account	Accounted Debit	Accounted Credit	Product
41000 - Trade Revenue	0.00	500.00	PatioSet - Patio Furniture Se
12110 - Accounts Receivable - Trade	500.00	0.00	
	500.00	500.00	

*Account **41000 – Trade Revenue** come from Product's **Accounting** tab and **12110 – Accounts Receivable – Trade** come from BPartner's **Customer Accounting** tab*

Create a new Business Partner

- Create new Business Partner Group
  - Open **Business Partner Group** window.
  - Click **New** (1st record)
    - **Name:** Import
    - **Search Key:** Import
  - Click **Save**
  - Click **New** (2nd record)
    - **Name:** Local
    - **Search Key:** Local
  - Click **Save**
  - Click on **Accounting** Tab, you will see that all default accounting is filled.

- Create new Business Partner
  - Open **Business Partner** window.
  - Click **New** (1st record)
    - **Search Key:** Hempel China Limited
    - **Name:** Hempel China Limited
    - **Description:** Fabric Supplier
    - **Business Partner Group:** Import
  - Click **Save**

- Set this Business Partner as Vendor
  - Click on **Vendor** tab, and select the Vendor checkbox; leave the rest as it is.
  - Click **Save**
  - Click on **Location** tab. Here, we need to set up the vendor's address
  - Click **New**
    - Click on the button inside the Address field.
    - **Address 1:** Sample of street
    - **City field:** Ningjin
    - **Country:** China
    - Click on the OK button
  - Click **Save**

- Click on **Accounting** Tab, you will see that all default accounting is filled.

We have finished setting up a new BPartner as Vendor.

Adding Location to an Existing Partner

- Add Location to an Existing Partner
  - Open **Business Partner** window.
  - Lookup for,
    - **Name:** Chemical Product, inc
  - Click on **Location** tab
  - Click **New**
  - Click button at Address field and enter required address, i.e.,
    - **Address 1:** Naratiwas Rd.
    - **Country:** Thailand
  - Click **Save**
  - **We are now using this address for all purpose**
    - Shipping Address
    - Invoice Address
    - Pay-From Address
    - Remit-To *Address*

Create a new Bank

- **Create new Bank**
  - Open **Bank** window.
  - Click **New**
    - **Name:** Citibank
    - **Own bank:** deselect
    - **Search Key:** 000001
  - Click **Save**
  - Click on **Account** Tab, add new Account for this bank in THB.
    - **Organization:** Fertilizer
    - **Account No:** THB-1-001-888888
    - **Currency:** THB
    - **Bank Account Type:** Check

- **Register a bank account document**
  - Click on **Bank Account Document** tab.
  - Click **New**
    - **Name:** Check document
    - **Payment Rule:** Check
    - **Check Print Format:** PaySelection_Check ** Template**
    - We will learn about Print Format more

  - in the next chapter.
  - Click **Save**

- **View Accounting Configuration for Bank**
  - Click on **Accounting** tab, and review the Accounting Configuration used for this bank.

*Beside Bank, we can also setup **Cashbook** and **Charge** to be used with the real life transaction. Please feel free to explore following windows,*
  - *Cashbook*
  - *Charge*

Explore Price List and Product

- View Price List Info
  - Open **Price List** window.
  - In Price List Tab, you will see there are different type of Price List, i.e.,
    - **Purchase**
    - **Standard (sales)**
  - With **Price List = Purchase** being selected, click on **Price List Version** tab.
  - You will see that there are different versions of Price List, some of them are not in use (inactive).
  - Choose the active version, i.e., **Purchase 2003** and click on Product Price tab.
  - Click on Grid Button to display Product Prices in this Price List Version.
  - On this **Product Price** tab, right click on **Product** field, and click **Zoom**.
  - Product window will be opened for the selected product.

- View Price from Product window
  - On **Product** window, click on **Price** tab
  - You will seem all the Price List Version and the Prices (Standard/List/Limited)
  - **Please note the relation between Price in Product and Price in Price List**

Test You Knowledge

1. **Chart of Account** is the most Critical Information for new company?

2. In Client Setup process, the Chart of Account being uploaded must be the final version. It can't be changed in the future?

3. Roles and Users are specific to a Client?

4. Once the Period is closed, the transaction (i.e., Sales / Purchase) can't be Completed? If so, how do we do what that transaction?

5. Every Product must have Price to be functional?

6. What is Price List Schema?

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