

Business activities analytics in Trial Balance

Question: Why there is no Business activity analytics in Trial Balance report, when calculating the exchange rate difference at the end of the month?

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TRIAL BALANCE FOR ACCOUNT 8010000 (PROFIT OR LOSS)

For the Period: Accounting Currency: AED, Entity: United Furniture Group (East location)

Account, Description	Currency	Opening Balance		Period Turnovers		Closing Balance	
		Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
8010000, Profit or Loss	AED	-	65,498.01	170,466,718.65	269,034.56	170,132,186.08	-
<...>	AED	-	-	1,560.01	262.49	1,297.52	-
Exchange Rate Differences	AED	-	-	1,560.01	-	-	-
<...>	AED	-	-	1,560.01	-	-	-
Exchange Rate Differences	AED	-	-	-	262.49	-	-
<...>	AED	-	-	-	262.49	-	-
Administration & Marketing	AED	-	2,427.96	170,461,724.44	267,486.40	170,191,810.08	-
Cost of Sales	AED	-	-	1,340.48	-	-	-
Furniture	AED	-	-	1,340.48	-	-	-
Other Operating Expenses	AED	-	-	170,460,055.63	-	-	-

Answer: It depends of Cost Allocation Settings [7.1.3. Cost Allocation Settings:](#)

Example 1: PL Non-Operating Expenses (Losses on exchange differences) are distributed according to the volume of revenue:

Chart of Accounts

Code	Description	Section	Type	Ol	Cur.	Q.	Dep.	Dimension 1	Dimension 2
T 7050200	Losses on Exchange Differences	PL Non-Operating Expense	Dr				✓	Expense Item	Business Activity

Cost Allocation Settings

Period	Entity	Department	COA Section	Cost Allocation Method	Closing Me...	GL Account	By Project
1/1/2000			PL Administrative Expenses (Other)	To the financial result GL account based on sales volume	Allocate		
1/1/2000			PL Revenue		Close Dire...		
1/1/2000			PL Finance Costs	To the financial result GL account based on sales volume	Allocate		
1/1/2000			PL Cost Of Goods Sold (Intangible As...		Close Dire...		
1/1/2000			PL Administrative Expenses (Intangibl...	To the financial result GL account based on sales volume	Allocate		
1/1/2000			PL Administrative Expenses (Fixed As...	To the financial result GL account based on sales volume	Allocate		
1/1/2000			PL Finance Income	To the financial result GL account based on sales volume	Allocate		
1/1/2000			PL Non-Operating Expense	To the financial result GL account based on sales volume	Allocate		
1/1/2000			PL Non-Operating Income	To the financial result GL account based on sales volume	Allocate		
1/1/2000			PL Current Tax Expense	To the financial result GL account based on sales volume	Allocate		
1/1/2000			PL Cost Of Goods Sold (Other)	To the financial result GL account based on sales volume	Allocate		
1/1/2000			PL Selling Expenses	To the financial result GL account based on sales volume	Allocate		
1/1/2000			PL Other Operating Income		Close Dire...		
1/1/2000			PL Cost Of Goods Sold (Inventories a...		Close Dire...		
1/1/2000			PL Other Operating Expense		Close Dire...		
1/1/2000			PL Administrative Expenses (Employe...		Close Dire...		
1/1/2000			PL Cost Of Goods Sold (Fixed Assets)		Close Dire...		
1/1/2000			BS Work in Progress	To the production cost GL accounts based on actual produ...	Allocate		
1/1/2000			PL Cost Of Goods Sold (Employees)		Close Dire...		
5/1/2017			PL Administrative Expenses (Other)		Close Dire...		
6/1/2017			PL Administrative Expenses (Other)		Close Dire...		

In this case, the system distributes costs through accounting objects (orders, items, type of activity, etc.) and Business activity is transferred and stored in Dr Cr entries, and pulls up in Trial Balance report:

TRIAL BALANCE FOR ACCOUNT 8010000 (PROFIT OR LOSS)								
For the Period		From to						
Accounting Currency		In list AED						
Entity		In list United Furniture Group (East location)						
Account, Description	Currency	Opening Balance		Period Turnovers		Closing Balance		
		Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	
8010000, Profit or Loss	AED	-	65,498.01	170,466,718.65	269,034.56	170,132,186.08	-	
Administration & Marketing	AED	-	2,427.96	170,463,284.45	267,934.56	170,192,921.93	-	
Cost of Sales	AED	-	-	1,340.48	-	-	-	
Furniture	AED	-	-	1,340.48	-	-	-	
Exchange Rate Differences	AED	-	-	1,560.01	-	-	-	
Furniture	AED	-	-	1,560.01	-	-	-	
Exchange Rate Differences	AED	-	-	-	448.16	-	-	
Furniture	AED	-	-	-	448.16	-	-	
Other Operating Expenses	AED	-	-	170,460,055.63	-	-	-	

Example 2: PL Non-Operating Expenses (Losses on exchange differences) are distributed directly to the Profit/Loss:

Period	Entity	Department	COA Section	Cost Allocation Method	Closing Method	GL Acco
1/1/2000			PL Administrative Expenses (Other)	To the financial result GL account based on...	Allocate	
1/1/2000			PL Revenue		Close Directly to Profit and Loss	
1/1/2000			PL Finance Costs	To the financial result GL account based on...	Allocate	
1/1/2000			PL Cost Of Goods Sold (Intangible As...		Close Directly to Profit and Loss	
1/1/2000			PL Administrative Expenses (Intangibl...	To the financial result GL account based on...	Allocate	
1/1/2000			PL Administrative Expenses (Fixed As...	To the financial result GL account based on...	Allocate	
1/1/2000			PL Finance Income	To the financial result GL account based on...	Allocate	
1/1/2000			PL Non-Operating Expense		Close Directly to Profit and Loss	
1/1/2000			PL Non-Operating Income	To the financial result GL account based on...	Allocate	
1/1/2000			PL Current Tax Expense	To the financial result GL account based on...	Allocate	
1/1/2000			PL Cost Of Goods Sold (Other)	To the financial result GL account based on...	Allocate	
1/1/2000			PL Selling Expenses	To the financial result GL account based on...	Allocate	
1/1/2000			PL Other Operating Income		Close Directly to Profit and Loss	
1/1/2000			PL Cost Of Goods Sold (Inventories a...		Close Directly to Profit and Loss	
1/1/2000			PL Other Operating Expense		Close Directly to Profit and Loss	
1/1/2000			PL Administrative Expenses (Employee...		Close Directly to Profit and Loss	
1/1/2000			PL Cost Of Goods Sold (Fixed Assets)		Close Directly to Profit and Loss	
1/1/2000			BS Work in Progress	To the production cost GL accounts based ...	Allocate	
1/1/2000			PL Cost Of Goods Sold (Employees)		Close Directly to Profit and Loss	
5/1/2017			PL Administrative Expenses (Other)		Close Directly to Profit and Loss	
6/1/2017			PL Administrative Expenses (Other)		Close Directly to Profit and Loss	

This is often done without detailed operational analytics (business activity is not considered mandatory) and as a result, business activity field remains empty and analytics are not adjusted in the Trial Balance report:

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For the Period		From to						
Accounting Currency		In list AED						
Entity		In list United Furniture Group (East location)						
Account, Description	Currency	Opening Balance		Period Turnovers		Closing Balance		
		Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	
8010000, Profit or Loss	AED	-	65,498.01	170,466,718.65	269,034.56	170,132,186.08	-	
<.>	AED	-	-	1,560.01	262.49	1,297.52	-	
Exchange Rate Differences	AED	-	-	1,560.01	-	-	-	
<.>	AED	-	-	1,560.01	-	-	-	
Exchange Rate Differences	AED	-	-	-	262.49	-	-	
<.>	AED	-	-	-	262.49	-	-	
Administration & Marketing	AED	-	2,427.96	170,461,724.44	267,486.40	170,191,810.08	-	
Cost of Sales	AED	-	-	1,340.48	-	-	-	
Furniture	AED	-	-	1,340.48	-	-	-	
Other Operating Expenses	AED	-	-	170,460,055.63	-	-	-	

Thank you for being FirstBIT customer!