



## Financial Report Tutorials : Trial Balance



# 2

chapter

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## Trial Balance

The trial balance report totals all debit balances and all credit balances to confirm that total debits are equal to total credits. If the debits do not equal the credits then an error has been made in one or more journal entries. The trial balance is used to detect such errors.

## Introduction

The following tutorial assumes you have completed the *Quick start for new users* tutorial which starts on page 48 of the UserGde.pdf file included in the Docs folder of your product CD.

## Creating the report

Create a new **Blank Report**.

The database expert dialog appears.

## Selecting a database to use

The next step in creating a report is to select a database.

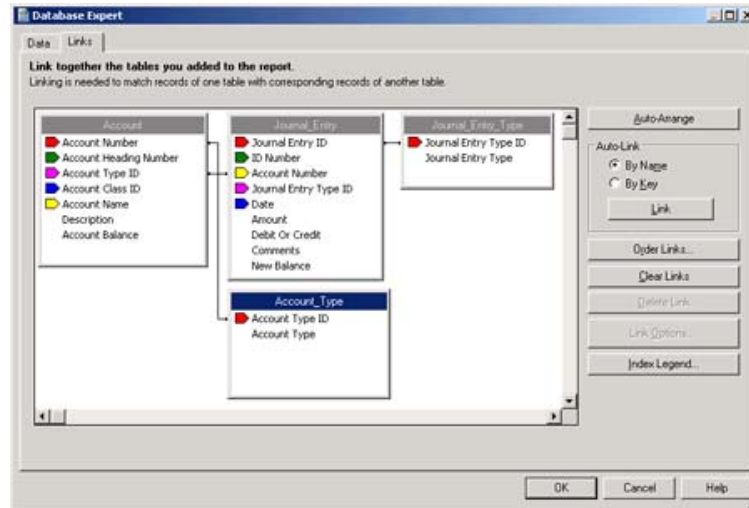
### ► To select a database

1. In the Database Expert dialog box, expand the **Create New Connection** folder.
2. Double click the **ODBC(RDO)** folder. A list of all data sources is shown.
3. From the list, select the **Xtreme Sample Database 2005** data source and click **Finish**. You will now see a list of all available tables from the Xtreme Sample Database 2005 data source.
4. Use the Ctrl-click combination to select the Account, Account Type, Journal Entry, and Journal Entry Type tables and click the > arrow to add it to the Selected Tables list. Click **OK**. The links tab is shown.
5. Verify that the links are consistent with the diagram shown below. If necessary, create the appropriate links by dragging fields from one table to the matching field in another table.

The following links should be shown:

- Account.Account Type ID to Account Type.Account Type ID
- Account.Account Number to Journal Entry.Account Number
- Journal Entry.Journal Entry Type ID to Journal Entry Type.Journal Entry Type ID

6. Once the links have been verified Click OK



## Setting up the report date



### ► To create a parameterized report date

1. From the Field Explorer, right-click Parameter Fields and click new. The Create New Parameter dialog is shown.
2. In the Name field type **End Date**.

- Set the Type drop down to **Date Time**. Click OK.

**Create New Parameter**

Name:  Type: Date Time

List of Values: ☒ Static ☐ Dynamic

Value Field: (None) Description Field: (None)

Actions

Value	Description
Click here to add item	

Options:

Option	Setting
Prompt Text	Enter End Date:
Prompt With Description Only	False
Default Value	True
Allow custom values	True
Allow multiple values	False
Allow discrete values	True

OK Cancel Help

## Setup selection criteria

A selection criteria is required to restrict the range of journal entries included in the report. For our report we need to restrict the journal entries to those which fall between January 1st of the **End Date** year (for YTD calculations) and the **End Date**. parameter. For example, if our **End Date** parameter has a value of November 14, 2005 then we will restrict journal entries to those between January 1, 2005 and November 14, 2005.

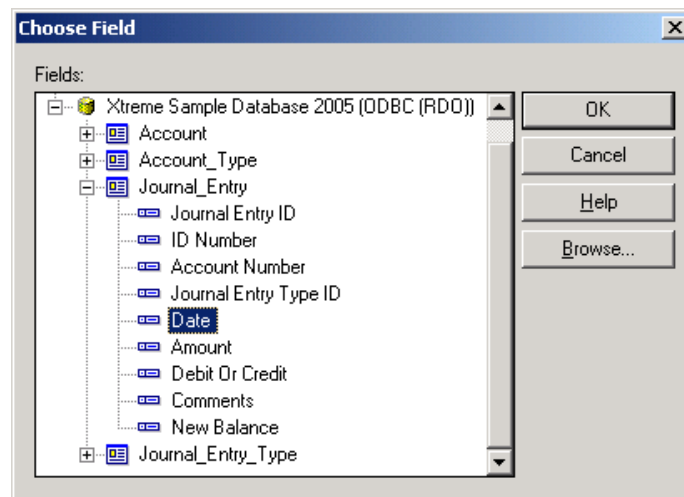
In addition to restricting journal entries based on dates, we will be restricting journal entries based on type. On January 1st of each year the process of closing the accounts is performed. These closing entries include closing all revenue and expense accounts and making the necessary adjustment to

Retained Earnings to reflect a net gain or net loss. We do not want the closing entries to be included in the calculations of our Trial Balance and therefore will restrict such entries.

► **To create selection criteria**



1. Click the Select Expert from the Expert Toolbar. The Choose Field dialog box is shown. Select Journal Entry.Date and click OK.



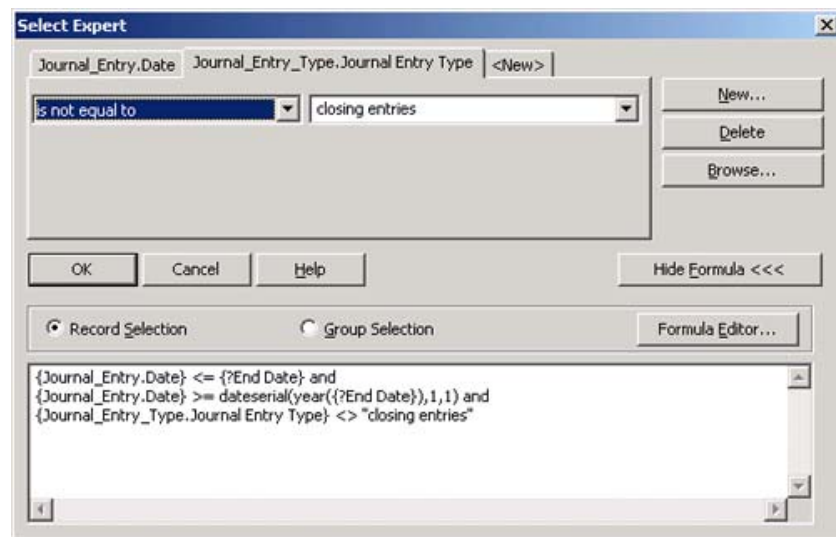
2. You will now see the Select Expert dialog. Make sure the Journal Entry.Date tab is chosen. From the drop down list, select 'formula:'. A text box for entering formulas will appear.

To restrict journal entries based on date, enter the following formula:

```
{Journal_Entry.Date} <= {?End Date} and  
{Journal_Entry.Date} >= dateserial(year({?End Date}),1,1)
```

- **dateserial** is an SQL function which accepts three parameters (year, month, day) and returns a valid date.
  - **year** is an SQL function which accepts a datetime and returns the year as an integer value.
3. With journal entry dates restricted, we will now add to our Select Expert criteria to restrict closing entries. To do so, while still in the Select Expert dialog, click the New tab.
  4. From the Choose Field dialog select Journal Entry Type.Journal Entry Type. Click OK.

5. From the drop down list select 'is not equal to'. A second drop down list to the right appears listing all values included in Journal Entry Type.Journal Entry Type table.
6. From this second list select 'closing entries'.
7. To display the entire selection criteria click the 'Show Formula >>>' button.
8. Verify your selection criteria with the image below:



9. Click OK.

## Setup groupings

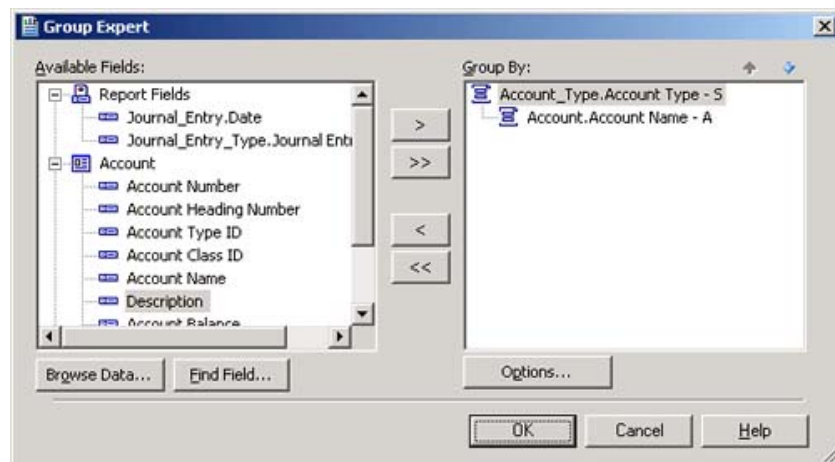
In this report, we will be grouping records based on Account Type (Asset, Liability, Equity, Revenue, Expense) and Account Name.

### ► Create report groupings

1. Click the Group Expert from the Expert toolbar. The Group Expert is shown.
2. From the Available Fields tree, select Account Type.Account Type and click the > arrow.
3. Click the Options... button. The Change Group Options dialog is shown.
4. From the second drop down list select 'in specified order'.



5. From the Named Group: list select the following values in order (Asset, Liability, Equity, Revenue, Expense). Click OK.
6. Create a second group by selecting Account.Account Name from the Available Fields tree and clicking the > arrow. The default sort order is ascending which is fine.
7. Verify your groupings with the image below. Click OK.



## Create formula fields

The trial balance report makes use of 3 formula fields. We will create each of these formula fields now and add them to our report at later stages in the tutorial.

The following steps are the order in which formula's are created, and will be used for creating our formula fields.



### ► To create formula fields

1. From the Field Explorer, right-click Formula Fields and click new. The Formula Name dialog will appear.
2. Type the name of your formula and click OK. The Formula Workshop windows will appear.
3. Enter your formula in the formula editor.
4. Check the formula syntax by clicking **Check**.
5. Click the save and close button.



Use steps1 through 5 to create the required formula fields in the table below:

Name	Formula
month	MonthName (Month ({?End Date}))
month_balance	if Month({Journal_Entry.Date}) = Month({?End Date}) then if {Journal_Entry.Debit Or Credit} = 'Credit' then {Journal_Entry.Amount} * -1 else {Journal_Entry.Amount}
YTD_balance	if {Journal_Entry.Debit Or Credit} = 'Credit' then {Journal_Entry.Amount} * -1 else {Journal_Entry.Amount}

A description of each formula is given below:

#### month

- Display the textual representation of the **End Date** month.

#### YTD\_balance

- Returns the amount of the journal entry. Since all the values in the journal entry are positive, to distinguish between debits and credits we will reverse the sign of all Credit amounts.

#### month\_balance

- Returns the amount of the journal entry of the reporting month, otherwise 0 is returned. If the date falls in the reporting month, the same calculations for debits and credits will be used.

Note: Since the Trial Balance merely performs a check where all Debits must equal all Credits, this check can be completed by simply reversing the sign of either all Debits or all Credit.

## Adding fields to the report

Now that we have specified our selection criteria through the Select Expert, set up our groupings using the Group Expert, and created our Formula Fields using the Formula Workshop we will begin adding fields to our report.



► **To add fields to the report**

1. Drag the YTD\_balance field into the right side of the details section.
2. Drag the month\_balance field into the details section to the left of the YTD\_balance field.
3. Delete the headings which have been automatically created in the Page Header section. Your report should look like the following:

The screenshot shows the 'Design' view of a report. The left-hand pane lists the report sections: Report Header, Page Header, Group Header #1, Group Header #2, Details, Group Footer #2, Group Footer #1, Report Footer, and Page Footer. The main report area displays the following structure:

Group #1 Name	
Group #2 Name	
month_balance	YTD_balance

4. Right click month\_balance and choose Insert > Summary. The Insert Summary dialog is shown.
5. For Summary Location select Group #1 and click OK. Apply a single top border to the Group #1 summary field
6. Repeat step 4, this time selecting Group #2 from the Summary Location and click OK.
7. Repeat step 4, this time selection Grand Total(Report Footer) from the Summary Location. Apply a single top and double bottom border to the Grand Total summary.
8. Repeat steps 4 through 7 this time for the YTD\_balance field.
9. Suppress (No Drill-Down) the Details section. Your report should look like the following:

The screenshot shows the 'Design' view of the report after applying summary borders and suppressing the details section. The left-hand pane is the same as in the previous screenshot. The main report area displays the following structure:

Group #1 Name	
Group #2 Name	
month_balance	YTD_balance
month_balance	YTD_balance
month_balance	YTD_balance
month_balance	YTD_balance

10. Move the Group #2 Name field from the Group Header #2 section down to the Group Footer #2 section.
11. Remove the bold formatting applied to the Group #2 Name field and the Group #2 summary fields.
12. Hide (Drill-Down OK) the Group Header #2 Section.
13. Create a new text field in the Group Footer #1 section directly below the Group Header #2 Name field. Inside this text field type 'Total ' then drag the Group #1 Name field from the Field explorer into the text field. Bold this field.
14. Create a new text field in the Report Footer section directly under the previous text field. Inside this text field type 'Balance Check'. Bold this field.
15. The next step will be to create column headings for our report data. Drag the month Formula Field from the Field Explorer into the Page Header section aligned horizontally with the month\_balance column.
16. Create a column heading for YTD amounts by creating a new text field in the Page Header section aligned horizontally with the YTD\_balance field.
17. Format the two column headings fields to show text as bold, aligned to the center with a single line bottom border.

## Reviewing your work

Now let's see how the report looks with the fields in place.



1. Click **Print Preview** on the standard toolbar to activate the preview tab. The screen should look similar to this:

	March	YTD
<b>Asset</b>		
Accounts Receivable	(\$30,122.60)	\$53,956.62
Accumulated Amortization (Building)	(\$2,045.94)	(\$6,137.82)
Accumulated Amortization (Machinery)	(\$2,134.68)	(\$6,404.04)
Bikes (Competition) Inventory	(\$40,740.23)	\$184,830.26
Bikes (Hybrid) Inventory	\$3,987.63	\$25,125.39
Bikes (Kids) Inventory	(\$2,499.53)	\$172.67
Bikes (Mountain) Inventory	\$9,626.51	\$40,030.47
Chequing Bank Account	\$140,243.68	\$56,202.63
Gloves Inventory	(\$304.65)	(\$936.90)
Helmets Inventory	(\$895.05)	(\$2,784.78)
Locks Inventory	(\$119.21)	(\$274.94)
Saddles Inventory	(\$124.43)	(\$0.45)
<b>Total Asset</b>	<b>\$74,871.50</b>	<b>\$343,779.09</b>
<b>Liability</b>		
Accounts Payable	(\$17,487.56)	(\$51,823.94)
Federal Income Tax Payable	(\$12,846.15)	(\$38,538.46)

2. Note that you are shown a report showing summary values for each individual account (such as Accounts Receivable), each account type (such as Assets), and a grand total including all accounts in all account types (not shown in image).
3. When you are finished reviewing the report, return to the **Design** tab to correct any mistakes.
4. In the design tab, Hide (Drill-Down OK) the Group Footer #2 section.
5. Preview the report by clicking on the Preview tab.
6. You are now viewing the report in a more summarized format whereby the individual accounts are hidden. Double click the **Asset** group heading and you will be able to drill-down to view each individual asset account.

## Completing the report

Now that the report has been built to display the correct data a report title, report date, and a company logo can be added.

### ► To add a report title and report date

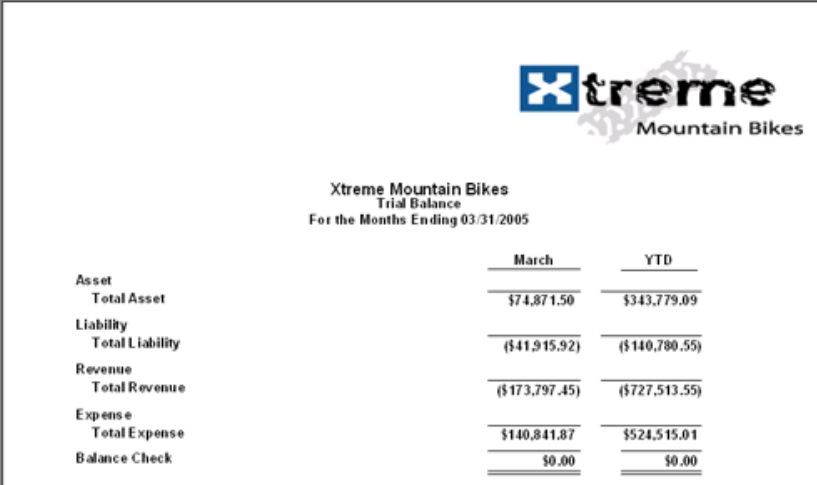
1. Expand the Page Header section to be approximately 2 inches in height.
2. Create a new text field centered in the Page Header section. Enter the text "Xtreme Mountain Bikes" in the new text field.
3. Create another text field with the text "Trial Balance". Place this text field in the Page Header section directly beneath the "Xtreme Mountain Bikes" text field.
4. Create another text field and add it to the Page Header section directly beneath the "Trial Balance" text field. In this text field type "For the months ending ".
5. Drag the **End Date** parameter field anywhere into the Page Header section.
6. Right click the **End Date** field and click Format Field: The Format Editor is shown. Select 03/01/1999 as the Date and Time format and click OK.
7. Drag the **End Date** field into the text field with the text "For the months ending ".

### ► To add a company logo to the report

1. While on the **Design** tab, click **Insert Picture** on the Insert Tools toolbar.
2. Choose a bitmap logo (.bmp) file and click **Open**.
3. Position the object frame in the upper right-hand corner of the Report Header (RH) section of the report.



4. Click the Preview tab once again.  
The screen should look similar to this:



Xtreme Mountain Bikes Trial Balance For the Months Ending 03/31/2005		
	March	YTD
Asset		
Total Asset	\$74,871.50	\$343,779.09
Liability		
Total Liability	(\$41,915.92)	(\$140,780.55)
Revenue		
Total Revenue	(\$173,797.45)	(\$727,513.55)
Expense		
Total Expense	\$140,841.87	\$524,515.01
Balance Check	\$0.00	\$0.00

## Saving the report



1. Click **Save** on the Standard toolbar to save your work.  
Since this is the first time you are saving the report, the Save As dialog box appears displaying the default directory where the file will be saved.
2. Type TrialBalance.rpt in the **File name** box and click **Save**.  
Your report is saved to the default directory or another directory you chose.