



UN/CEFACT

Simple, Transparent and Effective Processes
For Global Commerce

BUSINESS REQUIREMENTS SPECIFICATION (BRS)

Business Domain: Accounting Entry

Business Process: Journal List

Document Identification: CEFACT/Forum/2005/TBG/BS002 – Revision

Title: Universal Accounting Journal List: (ECE/TRADE/C/CEFACT/2008/29/Add.5)

UN/CEFACT International Trade and Business Processes Group: TBG12

Document location : <http://www.unece.org/....>

Version: 1.0

Release:

Date of TBG approval: 9 June 2009

Business Requirements Specification

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1. Preamble

Accounting technique accompanies the business background for more than five centuries when Luca Pacioli, a Venetian monk, invented the modern rules in 1494.

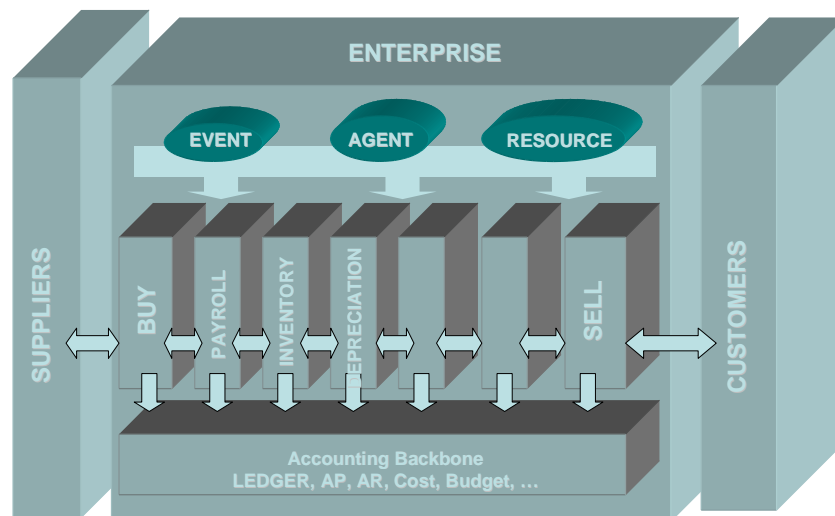
From then onward, a few changes occurred in the very basic practice of debit-credit entries. On the contrary, many happened in the environment of bookkeeping and audit trail in particular from the voucher toward accounts and back from accounts to the document that makes evidence of the entry.

Much more than ever before, the last ten years (the Internet Years) did hit the businesses of both accountant and auditor. EDI first, internet and ebXML now nurture a drastic shift still to achieve in accounting entries collection, accounting books assembly and financial reporting.

The deep changes still to achieve with electronic business evolving maturity opens speculations on the revisited relationship of the enterprise's operational activities with accounting process.

In many respects it is obvious that in the course of its daily duty accounting will have to "deliver more for less effort" as well as other enterprise's departments.

Connecting e-documents from point to point toward end to end.



From point to point toward end-to-end

The current practice of exchange of business documents by means of telecommunications – usually defined as e-Business presents a major opportunity to improve the competitiveness of companies, especially for Small and Medium Enterprise (SME) whatever its size can be.

About all the functions within any entity provide input to accounting entries and accounting entries in turn will provide output towards aggregated figures from accounts.

Each individual accounting entry, with standardized tagged elements is the basis for a very powerful tool and from this point on, the [no longer missing] link between e-Business and e-Accounting / WebLedger.

Carrying on an initiative of EDIFICAS Europe, the European Expert Group 11 (EEG11) – Accounting and auditing – started the discovery of elements for accounting entries in 2004, inter alia based upon the ENTREC Edifact message.

The Accounting Entry has been developed with contributions and submissions from several parts of Europe and collaboration of United States.

This first version of the Business Requirements Specification (BRS) is presented for comments from the other regions.

After a period of public exposure TBG12 will draft the final version of the BRS addressing comments received and forward for further processing through the UN/CEFACT Forum process with the goal of developing a UN/CEFACT standard document.

The purpose of this document is to define globally consistent accounting entry processes for the worldwide accounting and auditing domains, using the UN/CEFACT Modelling Methodology (UMM) approach and Unified Modelling Language to describe and detail the business processes and transactions involved.

The structure of this document is based on the structure of the UN/CEFACT Business Requirements Specification (BRS) document reference CEFACT/ICG/005.

2. References

- United Nations Trade Data Elements Dictionary (UNTDDED) – ISO 7372
<http://www.unece.org/cefact/standar/docs/tded.htm>
- UN/CEFACT Modelling Methodology (CEFACT/TMG/N090R10, November 2001)
- UN/CEFACT –ebXML Core Components Technical Specifications version 2.01 – ISO 15000-5
- UN/CEFACT Business Requirements Specification version 1.5 (CEFACT/ICG/005)
- TRADE/CEFACT/2008/MISC.1 / *Decision 08-09 ECE/TRADE/C/CEFACT/2008/29/Add.5*
- UN/CEFACT TBG Library 2005-01-25
- UN/EDIFACT – ENTREC message
- Unified Modelling Language (UML version 1.4.2)

3. Objective

The objective of this document is to standardize the information entities and the business processes, of the List of Journal used by the enterprises.

Within the governance of the accounting organization of an enterprise, a list of journal consists in indicating the journals open and used by this enterprise. This list is required for audit *a posteriori*.

The business document consists of a set of Business Information Entities (BIE), which are preferably taken from libraries of reusable business information entities. The contents of the business document and the Business Information Entities are presented using class diagrams.

4. Scope

This section describes the extent and limits of the accounting journal business process within the chain being described in this document. The class diagram of the journal transaction is developed in such a way that it specifies the cross industry reusable business information entities.

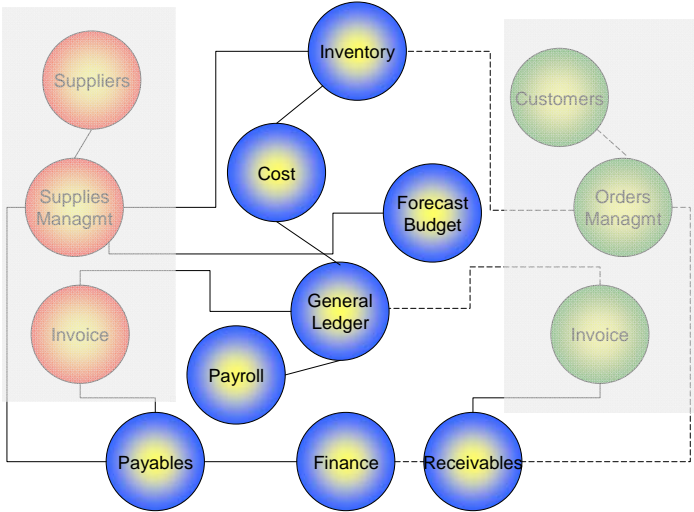
The business process may concern either entering new journals from external or an upstream application, manual input from the keyboard, data migration from a former accounting system or take over data from different accounting systems to integrate accounting books of merging entities.

Categories	Description and Values
Business process	Accounting journal process, Auditing process
Product Classification	All
Industry Classification	All
Geopolitical	Global
Official Constraint	Generally Admitted Accounting Principles ; Classical Double Accounting entry
Business Process Role	Bookkeeper, Accountant, Auditor
Supporting Role	None
System Capabilities	No limitations

5. Business Requirements

5.1 Business Domain Environment

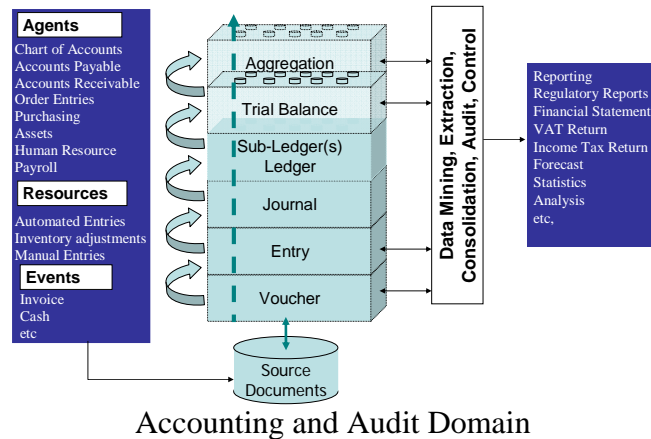
Supply Chain Management, Sales Management, Finance and Payroll Management are all part of the Accounting Business environment. The Accounting Token developed in cooperation with TBG1 and TBG6 is the link bridging operational functions and back office tasks including accounting extensions (e.g. cost, forecasts, tax return and settlement, etc.).



5.2 Business Domain view

Accounting entries are day-to-day sequentially recorded into a logbook called Journal.

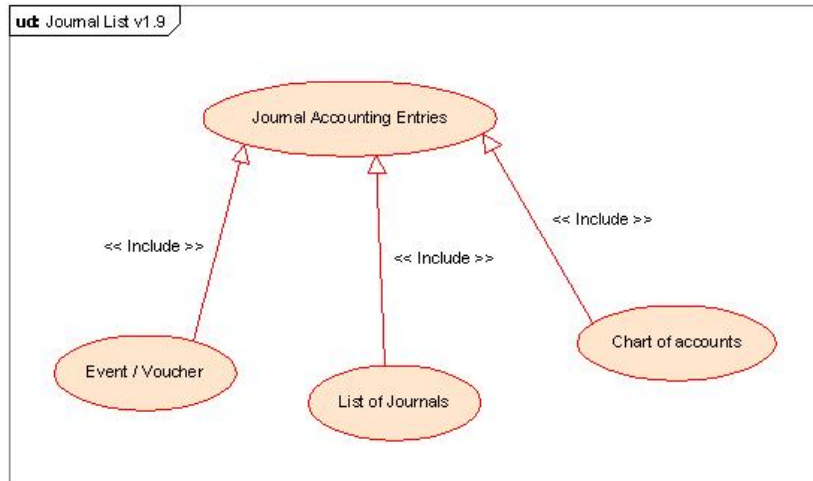
The journal is transported into Ledger and / or Sub Ledgers which in turn are successively aggregated into Trial Balance and several subsequent reports.



In order to help data capture the Journal is generally divided into categorised auxiliary sub-journals as requested by the organisation of the accounting system.

Business Domain View				
Recording Process	Sales	Purchase	Finance, Bank, Cash	Miscellaneous, e.g. payroll, amortization, etc
Business				
Entry Recording				
Journal id.	must exist	must exist	must exist	must exist
Account Id. (from chart of accounts in use)	must exist	must exist	must exist	must exist

Business Domain Model	
Business Domain Model Name	ACCOUNTING
Description	Documents used during the course of a business transaction are used to track in parallel the financial flow into accounts of the accounting books. They are entered in specialized accounting journals before being distributed in the accounts of the ledger. In that sense, accounting is updated in quasi real time.
Industry	All



Business Model Administration Information	
Business process name	ACCOUNTING
Analysts / Modelers	Colo Gérard de Bonhome Olivier Gasch Stéphane Lapalus Alain Leblond Frédérique Lemense Robert Lesourd Michel Marchal Benoît Mathieu Jean-Louis Pajon Alex Taltas Christian
Model Owner	EDIFICAS Eu, UN-CEFACT

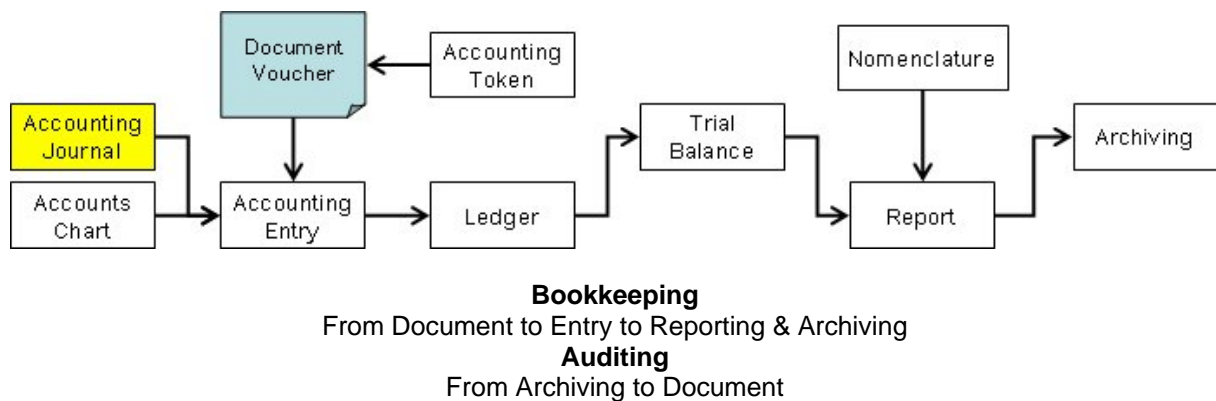
Identifier Information	
Agency Id	http://www.edificas.eu
Agency	Edificas

Business Area Description	
Business Area Name	ACCOUNTING
Description	Journal List
Scope	Create a standard Accounting Journal List model
Process Areas	Recording Business Process
Objective	Populate accounting Journal (sub-journals) and accounting books
Business Opportunity	Bridge e-Business to e-Accounting, accounting to closely reflect the actual financial situation that sticks to actual business steps.
Category	Accountant, Bookkeeper, Accounting Firm
Business Areas	Any economic event which affects the assets of the entity

5.3 Business requirements views

The main functions of accounting are:

- to record financial flow into classical accounting entries into the Journal or auxiliary sub-journals in order to populate books in the accounting system;
- to sort these entries into Ledger(s) book(s);
- to aggregate accounts from Ledger(s) into Trial Balance book;
- to aggregate Trial Balance book into defined reporting forms;
- to archive accounting books, entries, supporting documents in a reusable format;
- to select and extract sample set(s) of entries or entry lines in order to get and deliver truth and fairness assurance;
- to select the whole accounting records for accounting system migration or archive purposes.

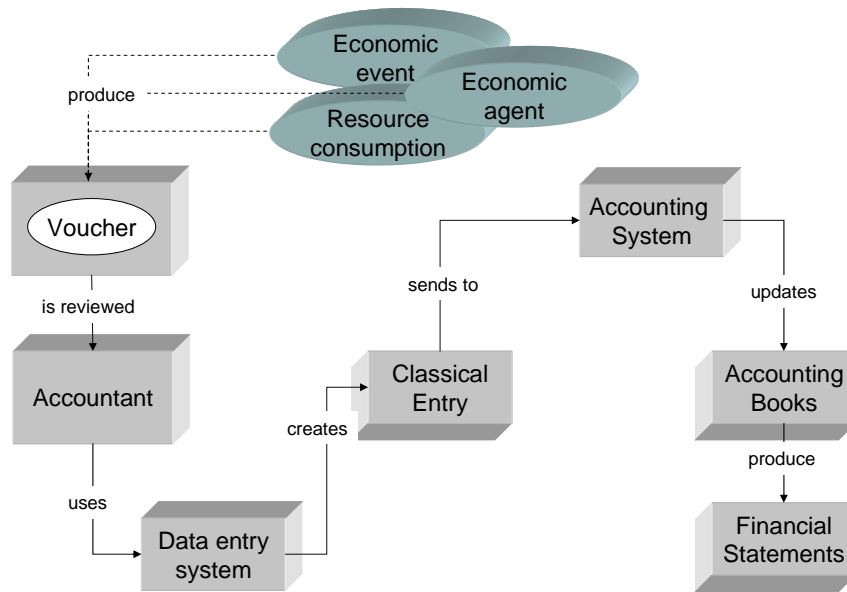


This BRS only considers the Journal or sub-Journal function.

5.4 Business process elaboration - Recording Business Process

Scope

Any event, any consumption of resource, any action is reflected in a justificatory document which in turn will be translated into classical accounting entry.



A classical accounting double entry is made of an accounting entry header which contains all elements common to all lines of the same entry, and as many accounting lines as needed to post the debit and credit amounts on accurate accounts into the appropriate book.

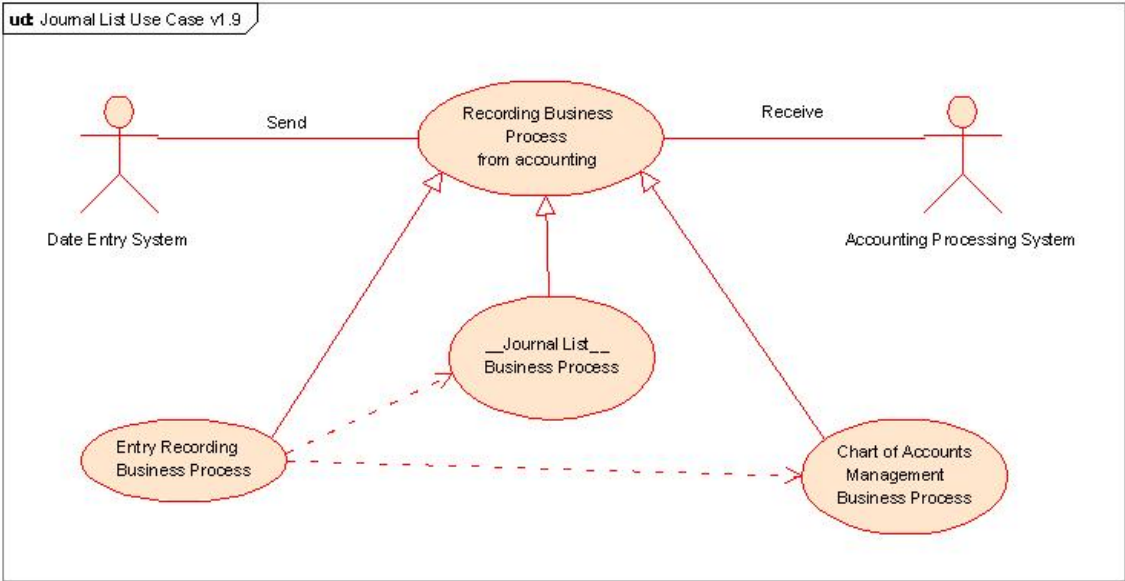
5.4.1 Use Case Journal List Business Process

The data entry system captures accounting entries either automatically from upstream computerised processes or manually keyed in from paper vouchers.

Entries capture hinges on a set of auxiliary journals and ledgers, and a chart of accounts adopted within the entity with respect to internal accounting technique.

Captured entries are validated through the Accounting Processing System prior to update accounting books.

Use Case Diagram



Use case description – Recording Process

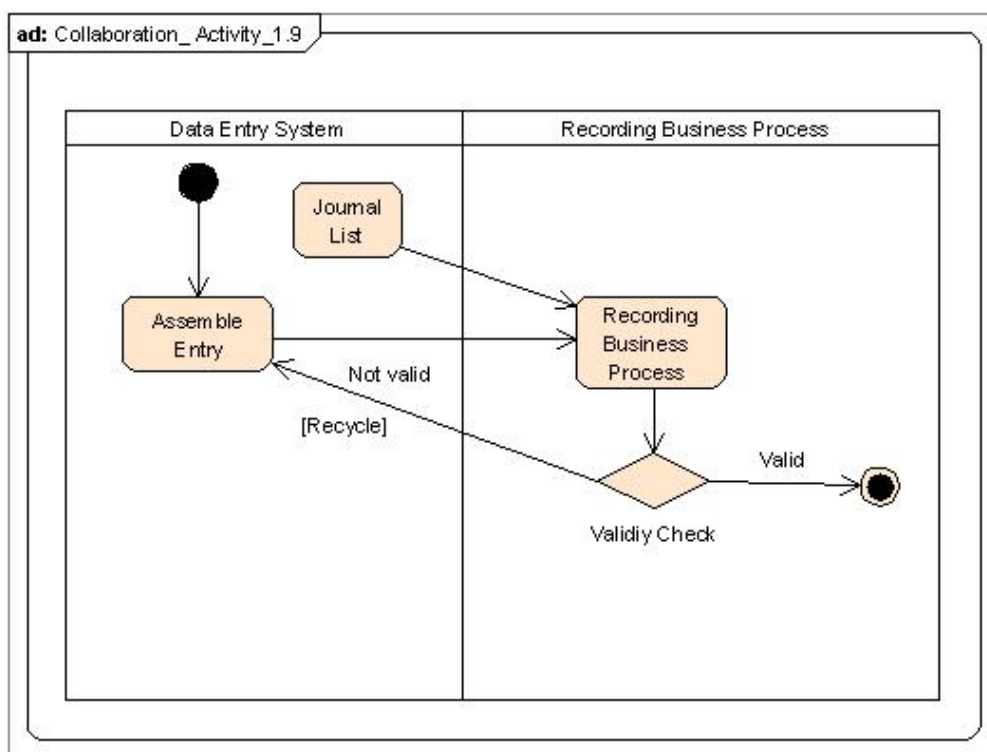
Business process name	Journal List Business Process
Identifier	Accounting
Actors	Data Entry system, Accounting Processing System, Entity
Description	Entries are created from a range of input system (e.g. keyboard data capture, entries generated from other application system such as from invoicing subsystem-, automated tool for creation of entries such as from outsourced payroll, etc) in the journals ou specialized sub-journals.
Pre-condition	Existence of the journal code in a code journal list (mutually defined); Existence of the account id. in the chart of accounts
Post-conditions	
Scenario	A journal valid for the entity sustains the data entry system.
Remarks	Validation or rejection of journals is under the final responsibility of the accountant or the accounting firm in charge of the Accounting Processing System.

5.5 Information flow definition – Recording Business Process

5.5.1 Activity Diagram Recording Business Process

Although a program cannot perform due-diligence, a set of logical and physical controls applied prevent a lot of mistakes. Some types of error can either be manually or automatically corrected during the Recording Business Process. Otherwise, the entry is rejected and must be recycled.

At the end of a period, the validation of entries is under the full responsibility of the accountant.



5.5.2 Business Collaboration Diagram Recording Business Process

Business process name	Journal List Business Process
Identifier	Accounting
Actors	Data Entry system, Recording Business Process
Description	A collection of sub-journals valid for the entity sustains the data entry system. Some validity checks may occur simultaneous to data entry (on line). The Recording Business Process applies logical and physical checks for each entry and each entry line accordingly with the accounting

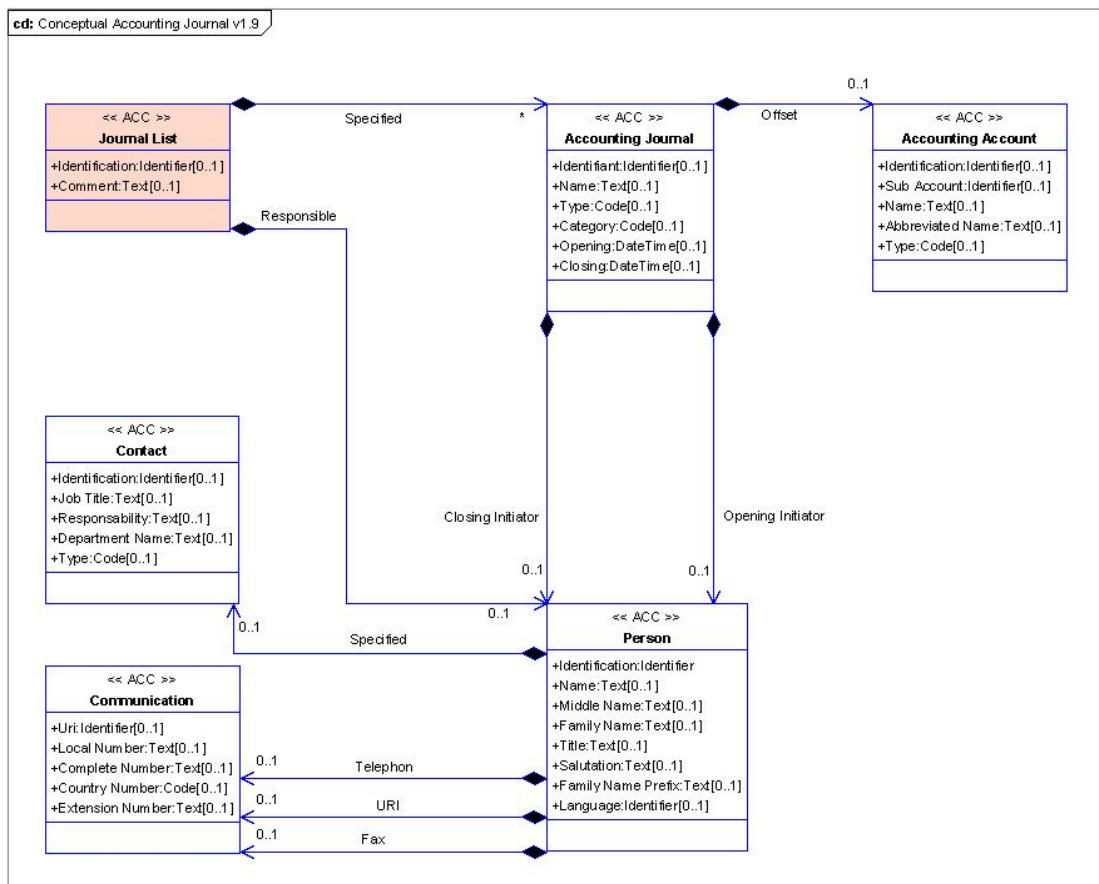
	organisation and the accounting principles in use in the entity, e.g. the chart of accounts that must be applied. Check failure means recycling process of the accounting entry.
Authorized Roles	Data Entry system, Recording Business Process, Accountant
Legal Steps/ Requirements	An accounting entry is always registered in a journal or a sub-journal.
Initial/Terminal Events	Initial: The Business Journal List Process opens a journal or a sub-journal. Terminal: The Business Journal List Process ends a journal or a sub-journal.
Scope	To command Data Entry System to recycle rejected entries.
Boundary	Not defined if any
Constraints	Existence of the journal in a journal list

5.6 Information Model Definition – Accounting Entry (class diagram)

5.6.1 Journal List

Any accounting organization must include in its description a list of the journals open or closed during an accounting period.

5.6.2 Journal List Class Diagram and ABIEs



UN00004899	ACC	Journal List. Details	A specific list of journals used in an accounting book by an entity.		
UN00004900	BCC	Journal List. Identification. Identifier	The unique identifier for this list of journals.	0	1
UN00004901	BCC	Journal List. Comment. Text	The comment, expressed as text, for this list of journals.	0	1
	ASCC	Journal List. Specified. Accounting Journal	The specified journal details for this journal list.	0	unbounded
	ASCC	Journal List. Responsible. Person	The person responsible for this list of journals.	0	1

	ACC	Accounting Journal. Details	A specific journal details for this journal list.		
	BCC	Journal List. Identification. Identifier	The unique identifier for this accounting journal.	0	1
	BCC	Name. Text	The full name, expressed as text, of this accounting journal.	0	1
	BCC	Type. Code	The code specifying the type of this accounting journal such as general, cost, budget journal.	0	1
	BCC	Category. Code	The code specifying the category of this accounting journal such as purchase, sales, cash, others transactions.	0	1
	BCC	Opening. Date Time	The date, time, date time, or other date time value of the opening of the accounting journal.	0	1
	BCC	Closing. Date Time	The date, time, date time, or other date time value of the closing of the accounting journal.	0	1
	ASCC	Accounting Journal. Offset. Accounting Account	The accounting account offsetted for this accounting journal.	0	1
	ASCC	Accounting Journal. Closing Initiator. Person	The person for this closing accounting journal.	0	1
	ASCC	Accounting Journal. Opening Initiator. Person	The person that acts as a point of contact with another person or department.	0	1

UN00001267	ACC	Accounting Account. Details	A specific account for recording debits and credits to general accounting, cost accounting or budget accounting.		
UN00001268	BCC	Accounting Account. Identification. Identifier	The unique identifier for this accounting account.	0	1
UN00001270	BCC	Accounting Account. Type. Code	The code specifying the type of accounting account such as general(main), secondary, cost accounting, budget account.	0	1
UN00002145	BCC	Accounting Account. Sub Account. Identifier	A unique identifier for this accounting sub account.	0	1
UN00002146	BCC	Accounting Account. Name. Text	The name, expressed as text, of this accounting account.	0	1
UN00002147	BCC	Accounting Account. Abbreviated Name. Text	The abbreviated name, expressed as text, of this accounting account.	0	1

UN00000095	ACC	Communication. Details	The exchange of thoughts, messages, or information, as by speech, signals, writing, or behaviour between persons and/or organizations.		
UN00000097	BCC	Communication. URI. Identifier	The unique identifier of the Uniform Resource Identifier (URI) for this communication, such as a web or an email address.	0	1
UN00000107	BCC	Communication. Local Number. Text	The communication number, expressed as text and not including country access code or the area number code, for this communication.	0	1
UN00000103	BCC	Communication. Complete Number. Text	A text string of characters that make up the complete number for this communication.	0	1
UN00000105	BCC	Communication. Country Number. Code	The country access code for this communication number such as 44, 1, 353 etc.	0	1
UN00000104	BCC	Communication. Extension Number. Text	The extension number, expressed as text, assigned to this communication number to enable a caller to reach a specific party.	0	1

UN00000122	ACC	Contact. Details	A person or department that acts as a point of contact with another person or department.		
UN00000123	BCC	Contact. Identification. Identifier	A unique identifier for this contact.	0	1
UN00000124	BCC	Contact. Job Title. Text	The job title, position or designation, expressed as text, of this contact person within an organization such as Director, Software Engineer, Purchasing Manager.	0	1
UN00000125	BCC	Contact. Responsibility. Text	A responsibility, expressed as text, of this contact.	0	1
UN00000126	BCC	Contact. Department Name. Text	A name, expressed as text, of the department to which this contact belongs within an organization, such as a support department.	0	1
UN00000237	BCC	Contact. Type. Code	A code specifying a type of contact.	0	1

	ACC	Person. Details	An individual human being.		
UN00000075	BCC	Person. Identification. Identifier	A unique identifier for this person.	0	1
UN00000076	BCC	Person. Name. Text	A name or set of names, expressed as text, by which this person is known.	0	1
UN00000079	BCC	Person. Middle Name. Text	Name or names, expressed as text, usually given to a person by his/her parents at birth, other than the first name.	0	1
UN00000080	BCC	Person. Family Name. Text	A name, expressed as text, that a person shares with members of his/her family.	0	1
UN00000082	BCC	Person. Title. Text	A textual expression of the title associated with a specific person, such as Doctor, Mr., Mrs., Ms.	0	1
UN00000083	BCC	Person. Salutation. Text	A formal sign or expression of greeting, expressed as text, that is appropriate for this person such as Right Honourable, Monsignor or Madam.	0	1
UN00000084	BCC	Person. Family Name Prefix. Text	A textual expression of a prefix that precedes this person's family name such as Van, Von.	0	1
UN00000093	BCC	Person. Language. Identifier	A unique identifier of a language related to this person such as their spoken or correspondence language.	0	1
UN00000243	ASCC	Person. Telephone. Communication	Telephone communication information for this person.	0	1
UN00000848	ASCC	Person. Fax. Communication	Facsimile communication information for this person.	0	1
UN00000849	ASCC	Person. URI. Communication	Uniform Resource Identifier (URI) communication information for this person such as a web or email address.	0	1
	ASCC	Person. Specified. Contact	A specified contact for this person.	0	1