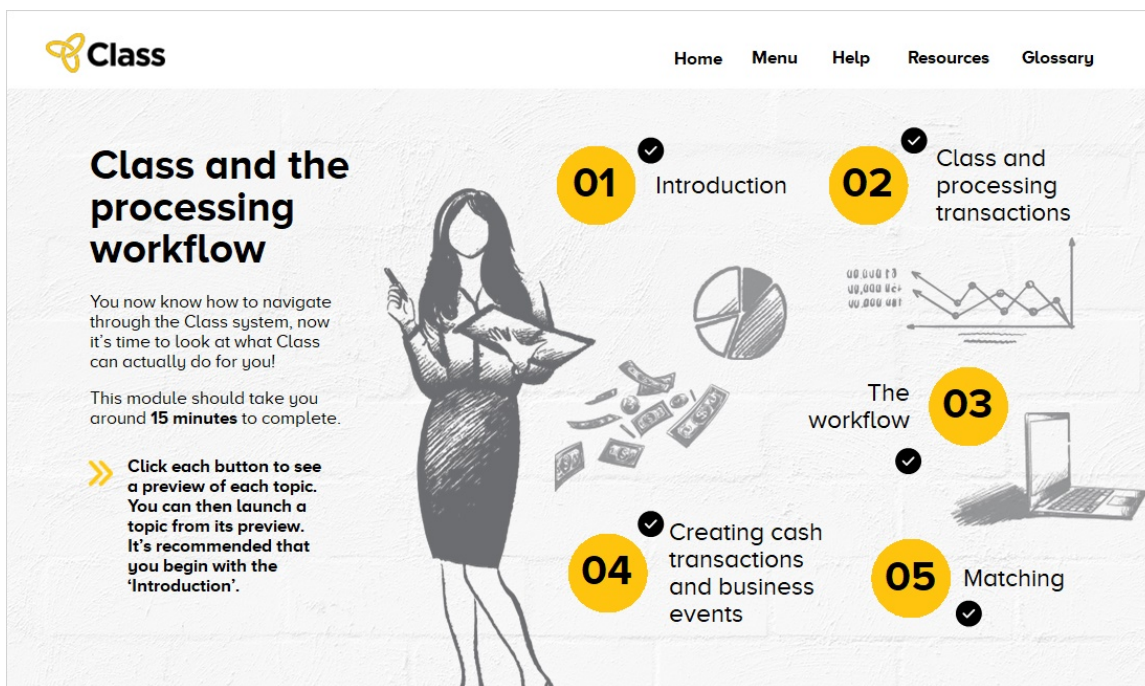


Class and the processing workflow

Module Workbook



Class Home Menu Help Resources Glossary

Class and the processing workflow

You now know how to navigate through the Class system, now it's time to look at what Class can actually do for you!

This module should take you around **15 minutes** to complete.

» Click each button to see a preview of each topic. You can then launch a topic from its preview. It's recommended that you begin with the 'Introduction'.

- 01** Introduction
- 02** Class and processing transactions
- 03** The workflow
- 04** Creating cash transactions and business events
- 05** Matching

The screenshot displays a navigation menu at the top with links for Home, Menu, Help, Resources, and Glossary. The main content area features a central illustration of a woman in a business suit holding a tablet, surrounded by financial icons like a pie chart, banknotes, and a line graph. Five numbered steps are listed, each with a yellow circle and a checkmark icon, indicating the module's structure. A callout box on the left provides instructions on how to interact with the preview buttons.

Topic 1

1.1 Welcome

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Welcome

Welcome to Class and the processing workflow. You have already seen the Class system before; you understand how to navigate and how Class helps you manage funds.

In this module you will learn:

- How to process transactions in Class
- The mechanics of the double entry accounting system that Class uses
- Different ways of processing cash transactions, business events and matching to suit different situations and your client's needs.

If you haven't already, please take the time to read through 'How do I use this course?' before getting started. But don't worry - if you get stuck later, this information is instantly available by clicking on the Help tab in the top right panel.

How do I use this course?


Click this 'Next' button to move forward.

Click the 'How do I use this course?' button to learn more. When you have finished, click the 'Next' button to continue.

Transcript

Notes:

1.2 Meet Norah

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Meet Norah


Hi I'm Norah, I've been a practicing accountant for 15 years and Mike has just employed me and I too am new to Class. I'm here to walk through this module with you.

As an accountant, I want to be sure that Class allows me to process journal entries for all of my client's transactions.

Even though Mike told me Class is a double entry accounting system I'm keen to see how it works myself.

If you haven't met Mike, click on him for an introduction. He'll help us along the way if we need it.


Let's get started.



Notes:

Topic 2

2.1 How it works in Class

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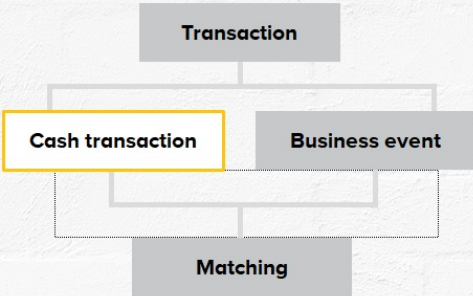
How it works in Class

Last week one of my clients received a cash dividend from her portfolio. Mike told me that there are data feeds that can automatically handle these transactions but I want to process one of these manually so I can understand the inner workings of Class.

Let's look at how this transaction would be processed in Class.

When we talk about processing with Class, it means entering all of the cash transactions, the corresponding business events and then matching them off against each other.


>> Click on cash transaction and then the business event, followed by matching to learn more. When you're finished, click the 'Next' button to continue.



```
graph TD; Transaction[Transaction] --> Cash[Cash transaction]; Transaction --> Business[Business event]; Cash --> Matching[Matching]; Business --> Matching;
```

Notes:

2.2 More Transactions

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More Transactions

Let's have a look at two more examples of situations we deal with every day.

In the first, let's say that your client has \$100 paid into their fund's bank account as a dividend payment. In the second example, a fund pays its adviser \$100.

Select which of the following amounts are a cash transaction vs a business transaction.

>> Match the following amounts to either cash or business events for each of the two examples. When you have finished, click 'Next' to continue.


	Cash Transaction	Business Events
Example 1 - client has \$100 dividend paid into their fund's bank account	<input type="text"/>	<input type="text"/>
Example 2 - client's fund pay its adviser \$100	<input type="text"/>	<input type="text"/>

\$100 in	\$100 out	\$100 fund expense - adviser fee	\$100 fund income - dividend cash
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> Submit

Notes:


2.3 Double entry?

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Double entry?

» Click the 'Next' button to explore the example further.



Norah

We have now seen how transactions are entered as cash transactions and business events, but I'm not really clear on how the double entry accounting is managed in the general ledger? Mike, can you help?




Mike

Yes Norah, I can. Every time you process a transaction, Class automatically generates the required journal entries. Understanding auto journaling is the key to understanding Class accounting. So let's look at the underlying journal entries for our first example.

< >

Notes:

2.4 Double entry?

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Double entry?

The example that we're looking at is the client who has \$100 dividend paid into their fund's bank account.

» Click each step in the timeline to see the double entry processing for this example. Then click Mike to hear more from him. When you have finished, click the 'Next' button to continue.


A fund receives a \$100 cash dividend		
Cash transaction	Business transaction (or Business event)	Matching
\$100 cash in	\$100 Fund Income - Dividend Cash	
Dr. Cash	Dr. Dividend Receivable	Dr. Fund Suspense
Cr. Fund Suspense	Dr. Dividend Income	Cr. Dividend Receivable

Another journal entry will be processed when the transactions are matched. This debits Fund Suspense and Credits Dividend Receivable. This clears both the suspense and dividend receivable accounts.

Cash transaction → Business transactions → Matching 

Notes:


2.5 Class and tax entries

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Class and tax entries

Click the 'Next' button to explore the example further.



Norah

That makes sense, but I have one final question. What about tax? Does it need to be accounted for separately?



Mike

Good question Norah.


Class has default settings for the tax components of fund income and expense events. This means you don't have to worry about separate journal entries for:

- Tax (including GST and capital gains tax)
- Actuarial apportioning method

For example; say we want to dispose of \$20,000 of listed shares in a fund registered for GST. Let's explore this example now.

Notes:

2.6 Class and tax entries

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Class and tax entries

In this example, we want to dispose of \$20,000 of listed shares in a fund registered for GST.

>> Click each step in the timeline to see the double entry processing for this example. When you have finished, click the 'Next' button to continue.

Sales of listed shares in fund registered for GST		
Cash transaction	Business transaction (or Business event)	Matching
Dr. Cash \$19,912	Dr. Unsettled Trades \$19,912	
Cr Fund Suspense \$19,912	Dr GST Payable \$6	Dr. Fund Suspense
	Cr Investment Disposal Suspense \$19,918	Cr. Unsettled Trade

Another journal entry will be processed when the transactions are matched. This debits fund suspense and credits unsettled Trades. This clears both the suspense and unsettled trades accounts.

TIP: Investment disposal suspense is cleared when you run a period update (covered later in the course).

Cash transaction → **Business transactions** → **Matching**

Notes:

Topic 3

3.1 Your client

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Your client

One of my clients has engaged in a number of transactions recently. I'm wondering how I would process these transactions in Class.


» Click each step of the process to see how this works in Class. When you have finished, click the 'Next' button to continue.

- Cash transactions
- Business event
- Process corporate actions
- Generate income events
- Run auto-match and complete matching
- Run transaction rules (and create new ones as required)
- Create business events for remaining cash transactions

Notes:

Topic 4

4.1 Norah's transactions

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Norah's transactions


As demonstrated in the workflow, there is an order to processing transactions.

For my client, who holds shares with a listed company that pays dividends twice a year, the workflow process was:

1. Dividend payments as a cash transaction
2. Generating income from listed shares (holding balances up to date)
3. Running auto match and complete match


In this topic we will look at the versatility offered by Class when completing these steps.

 **Click the 'Next' button to continue.**



Notes:

4.2 Entering cash transactions

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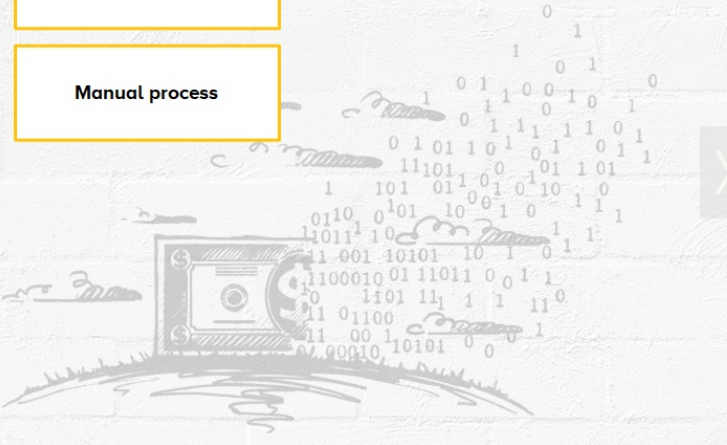
Entering cash transactions

Class has two options for processing cash transactions.

» Click each panel to learn more about how to automatically process vs manually process cash transactions. When you have finished, click the 'Next' button to continue.

Automatic process


Manual process



The illustration shows a dollar bill floating in a space filled with binary code (0s and 1s). The background has a textured, stone-like appearance.

Notes:

4.3 Creating business events

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Creating business events

Class has three options for generating business events.

» Click each panel to learn more about how to process business events. When you have finished, click the 'Next' button to continue.


- Manually entered
- Generating income events
- Matching it to an existing cash Transaction (Match to New)



Notes:

Topic 5

4.1 Norah's transactions

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Norah's transactions


At the end of the previous topic, we talked about three business events. Of the following which event is already matched to a cash transaction?

>> Select the correct business event, then click 'Submit'. When you have finished, click the 'Next' button to continue.

Which of the following business events is already matched to a cash transaction?

- The business event manually entered into Class
- The business event generated by income events (Generate Income Events)
- The business event created by matching it to an existing cash transaction (Match to New)

> Submit



Notes:

4.2 Auto vs Manual

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Auto vs Manual

For efficiency, Class has a feature called auto matching. On the Match Transactions screen, select auto match.

» Click the highlighted area to learn more about auto matching, then click the 'Next' button to continue.

Triangle's SF

Bank Statements Match Transactions Business Events

Automatch Run transaction rules Generate Income Export cash Show All 1/07/2014 to Cash Account All

Feed All

Cash Transactions							Business Transactions			
Date	Cash Out	Cash In	D.	Stat.	Acc.	By	Date	Debit	Credit	Descrip.
01/07/2015		\$80.00	ORI	Unma	Macq	A	30/05/2013		\$100.00	Distribut...
01/07/2015	\$1,462.00		ANL	Unma	Macq	A	30/06/2013		\$100.00	Interes, R...
02/07/2015		\$1,534.50	WB	Unma	Macq	A	30/06/2013		\$100.00	Sundr
03/07/2015		\$1,625.58	NA	Unma	Macq	A	30/06/2013	\$300.00		Sundry Cr...
05/07/2015	\$5,500.00		CH	Unma	Macq	A	05/08/2016		\$10.00	Capital R...
15/07/2015		\$662.63	CLI	Unma	Macq	A	05/08/2016	\$100,000.00		Property ...
15/07/2015		\$29,654.38	DIS	Unma	Macq	A				
15/07/2015	\$1,600.00		PP	Unma	Macq	A				
29/07/2015		\$1,262.71	398	Unma	Macq	A				
13/08/2015		\$209.62	AA	Unma	Macq	A				

Selected Transactions

Match Clear

Date	Description	Debit	Credit	Type	Account	Processed By
------	-------------	-------	--------	------	---------	--------------

Notes:

4.3 Fit to cash

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Fit to cash

Here we see that the business event generated by Class is slightly different to the amount received by the bank and recorded as your cash transaction. This occurs in situations such as income announcements and rounding. In this case, where the difference is less than \$1 you can click the Fit to Cash function.

>> Click the highlighted area to learn about the feature of Fit to Cash, then click 'Next' to continue.

☞ Automatch ● Run transaction rules 📄 Generate income ⬇️ Export cash ☑ Show All 17/12/200

Cash Transactions

Date	Cash Out	Cash In	Description	Status	Account	By
<input type="checkbox"/>		\$1,020.14	VAS 64.346256C F...	Unmatc...	Loan Ac...	M
<input type="checkbox"/>		\$686.87	MACQUARIE CMA L...	Unmatc...	Loan Ac...	M
<input type="checkbox"/>		\$579.91	IOO US127.0152C ...	Unmatc...	Macqua...	A
<input checked="" type="checkbox"/>		\$217.97	Singapore Airlines L...	Unmatc...	Macc...	A
<input type="checkbox"/>		\$2...				A
<input type="checkbox"/>		\$2...				M

Selected Transactions

☞ Match 🗑 Clear **Fit To Cash**

Date	Description	
16/08/2017	Singapore Airlines Ltd	
16/08/2017	C6L 10.2574C	\$217.98

Fit to cash will automatically adjust the Business Event to equal the cash amount and the match will be made, moving the transaction from the Match Transactions screen.

Notes:

4.4 Setting the rules

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Setting the rules

Before we finish up, I have one last really important tip for you. Class lets you set up transaction rules for recurring and regular transactions to create efficiencies.

» Click the highlighted area to learn about the feature of creating and running transaction rules, then click Next to continue.

Demo Unit Trust / Transaction Rules

Search

+ Add New

Narrative Match	Bank Account	Direction
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Notes:
