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Oracle EBS R12.1 General Ledger Essentials

Version 14.41

Topic 1, Volume A

QUESTION NO: 1

One of your ABC.com co-workers, Tim, is working to define and develop Financial Statement Generator reports where the budget amounts and actual amounts would display on the report per period. Tim comes to you and says that he has defined an FSG report according to the client's requirements; the actual amounts are correctly shown, but the problem is that budget amounts are not showing up on the report. What is your response?

A. Budget status is Frozen.
B. The budget name needs to be associated with the row set through control values.
C. There is some issue with the assignment of accounts to the budget organization.
D. The first fiscal year of the budget was never opened.
E. The last fiscal year of the budget is Closed.

Answer: B

QUESTION NO: 2

Jason, the corporate controller of ABC.com where you are implementing Oracle General Ledger, Accounts Payable, an Accounts Receivable, is very excited about the Global Intercompany System (GIS). He wrote some notes from a conversation with his accounting manager about GIS. He wants you to validate which points he has written down about GIS are true. Identify Jason's three correct points. (Choose three.)

A. GIS enables intercompany transactions to be approved after transfer from AP and AR.
B. Unlike intercompany accounting within the same set of books, GIS only works between sets of books but not within the same set of books.
C. Intercompany journals are created automatically as soon as they are approved.
D. You can set up GIS so that the sender's transactions do not need to be approved by the receiver.
E. If a sender approves the transaction but the receiver rejects it, the transaction is recalled.
F. Each company that uses GIS must be set up as a subsidiary that is associated with a balancing segment value.
G. You can optionally send notifications to a defined user or responsibility when an intercompany transaction is initiated.

Answer: D,F,G

QUESTION NO: 3

One of ABC.com's clients wants the ability to report with Financial Statements Generator (FSG) and perform account inquiry at the summary (business unit) level of its Cost Center segment. A business unit is a group of

cost centers and a business unit manager typically has several cost centers under his or her responsibility. Which option will meet the client's requirements?

A. Define parent cost centers and a hierarchy of parent-child cost centers. Define Rollup Groups for the parent cost centers, and Summary Accounts. Create FSG based on the parent cost center values or Summary Accounts.
B. Define parent cost centers and a hierarchy of parent-child cost centers. Define Rollup Groups for the parent cost centers. Create FSG based on the Rollup Groups.
C. Define parent cost centers and a hierarchy of parent-child cost centers. Create Summary Accounts based on the parent cost centers. Create FSG based on the parent cost center values.
D. Define parent cost centers and a hierarchy of parent-child cost centers. Define Rollup Groups for the parent cost centers. Create FSG based on the parent cost center values.
E. Define parent cost centers and a hierarchy of parent-child cost centers. Define Summary Accounts for the parent cost centers. Create FSG based on the parent cost center values or Summary Accounts.

Answer: A

QUESTION NO: 4

Which report would provide information about the processing type (parallel or sequential) that may be defined for reports?

A. Report Detail Listing
B. Content Set Summary Listing
C. Row Set Summary Listing

Answer: B

QUESTION NO: 5

After you determine your needs and organize your summary account structure, which General Ledger tools can you use to define parent-child values and rollup groups?

A. Analyzer Hierarchies, Account Hierarchy Manager or Account Hierarchy Editor (provided Applications Desktop Integrator is installed).
B. Mass Maintenance, Analyzer Hierarchies, or Account Hierarchy Manager
C. Mass Maintenance or Account Hierarchy Manager
D. Mass Maintenance or Account Hierarchy Editor (provided Applications Desktop Integrator is installed).
E. Account Hierarchy Manager or Account Hierarchy Editor (provided Applications Desktop Integrator is installed).

Answer: E

QUESTION NO: 6

The Consolidation Workbench enables you to _____, _____, and _____. (Choose three.)

A. access the State Controller
B. create consolidations sets, which launch multiple consolidations in a single step
C. create multilevel hierarchies, which you can view using the graphical Consolidation Hierarchy Viewer
D. change the chart of accounts

Answer: A,B,C

QUESTION NO: 7

ABC.com wants to define a consolidation process for its enterprise.
It has two sets of books: Set of Books A and Set of Books B.
Both sets of books will use Oracle General Ledger.

Set of Books A has three companies with the same calendar and chart of accounts as Set of Books B.
Set of Books A has USD as its currency.

Set of Books B has four companies with the same chart of accounts and calendar as Set of Books A.
Set of Books B has GPD as its currency.

Select the consolidation method.

A. Interface Data Transformer
B. Global Intercompany System
C. Oracle Financial Analyzer
D. Financial Statement Generator

Answer: D

QUESTION NO: 8

You are implementing Oracle General Ledger at ABC.coms site. ABC.com is based in the US but has a global presence in many countries worldwide, and has transactions in multiple currencies. The implementation team decides that GL multi currency setup will be part of the implementation. The GL accountant approaches you to discuss multiple reporting currencies (MRC); he wants to implement MRC and link the primary set of books with the reporting set of books. Additionally, he says that the primary and reporting sets of books all have different calendars but share the same chart of accounts. What response do you provide?

A. The primary and reporting set of books must share the same calendar and chart of accounts.
B. There is no problem in satisfying this requirement.
C. The primary and reporting set of books must share the same currency and chart of accounts.
D. The primary and reporting set of books must share the same calendar, currency and chart of accounts.

Answer: A

QUESTION NO: 9

ABC.com is a $2 million company operating from the U.S., and has one set of books. It is spinning off from its parent company and will be operating as an independent company. It is considering implementing Oracle Financials but wants the product to work exactly in the same way as its legacy systems from its parent company. What considerations should be presented to ABC in order for it to make a well-informed decision? (Choose all that apply.)

A. Patching is simplified on a non-customized Oracle implementation.
B. Adding customizations to replicate the legacy system could increase cost of future upgrades.
C. Integration issues between modules are reduced when there are no customizations.
D. No information can be interfaced from the legacy system to the product.

Answer: A,B,C

QUESTION NO: 10

Identify the two setups that control the defaulting of Tax Information on a journal entry. (Choose two.)

A. Set of Books
B. Journal categories
C. Account

Answer: A,C

QUESTION NO: 11

During a period, several preapproved batches of miscellaneous transactions were entered and released. The project manager informs you that he is unable to view the accounting in the expenditure inquiry form. Which process was likely omitted?

A. streamline costs

B. distribute costs
C. interface costs
D. tieback costs

Answer: B

QUESTION NO: 12

What are the possible posting options in Oracle General Ledger?

A. Post Journal batches individually
Post multiple batches
Use AutoPost
B. Post Journal batches individually
Post multiple journals
C. Post multiple batches
Post batches that meet specific criteria by submitting a concurrent request
D. Post Journal batches individually
Post multiple batches
Post batches that meet specific criteria by submitting a concurrent request and using Journal Approval

Answer: A

QUESTION NO: 13

You are implementing Oracle General Ledger at a ABC.com site. ABC.com is based in the US but has a presence in many countries worldwide, and has transactions in multiple currencies. The implementation team decides that GL multi currency setup will be part of the implementation. John, a junior consultant helping you in the implementation effort, comes to you and says that he is testing the system and entering journals in US dollars, yen and euros. He says that he is able to enter the journals in US dollars and euros, but cannot enter the journals in Japanese yen. What possible explanation can you provide to John for this?

A. Workflow needs to be customized for journals to be entered in yen.
B. Yen currency has not been enabled.
C. Daily rates have not been entered for yen.
D. Rate types have not been defined for yen.

Answer: B

QUESTION NO: 14

ABC.com has offices around the world, spread across different legal entities. ABC.com is implementing Oracle General Ledger. Its accounting department wants to know how to reduce the burden of elimination entries. What do you recommend?

A. Mass Allocation
B. ADI Journals
C. Recurring Journals
D. Summary Journals
E. Intercompany Journals

Answer: C

QUESTION NO: 15

ABC.com has many Financial Statement Generator reports created to produce Profit & Loss statements and Balance Sheet reports. Occasionally ABC.com has a need to run a report that is slightly different than the standard ones that are already created. Which two types of changes could XYZ make using the Row Order feature? (Choose two.)

A. display segment values and descriptions
B. add a new calculation
C. change how rounding options are performed
D. sort based on column values

Answer: A,D

QUESTION NO: 16

ABC.com has two diverse business operations in retail stores and services. It has five legal entities in Canada and five in the United States for both operations. The fiscal year end is the same for all the legal entities with 12 monthly periods. However, ABC.com wants to use a 4-5-4 accounting calendar for its retail operations and a calendar-month accounting calendar for the services operations. ABC.com also wants to use a single chart of accounts structure. Which five items must ABC.com define to meet the minimum setup steps that are required for the sets of books for all legal entities? (Choose five.)

A. two accounting calendars
B. four sets of books
C. three sets of books
D. two sets of books
E. chart of accounts structure

F. period types or use seeded ones
G. one accounting calendar
H. enable seeded CAD and USD currencies
I. account combinations

Answer: A,B,E,F,H

QUESTION NO: 17

After creating a number of Financial Statement Generator reports, ABC.com wants a list of the definitions for one specific account. Which report should be run to provide that information?

A. FSG: Content Set Detail Listing
B. FSG: Report Detail Listing
C. FSG: Where Used Report

Answer: C

QUESTION NO: 18

Exhibit:

1)Preserves up to 50 characters of the original batch name plus batch ID in the source set of books to the target set of book:
2)Creates separate lines for debit and credit items.
3)Preserves the Journal Effective Date in the consolidated set of books.
4)Preserves the Reference Date entered in the Journals window.
5)Prevents the transfer of journals that contain categories that have been selected for exclusion

You work as a DBA for ABC.com. Please study the exhibit carefully.

GL Consolidation: Preserve Journal Batching is set to Yes.
GL Consolidation: Preserve Journal Effective Date is set to Yes.

What would the result be?

A. 1, 3, 4
B. 2, 3, 4
C. 3, 4, 5
D. 5, 1, 2
E. 5, 3, 2,

Answer: A

QUESTION NO: 19

ABC.com is a national company with five divisions that share the same set of books. Select the statement that best describes the consolidation process for ABC Corporation.

A. Run translations, transfer data and run financial reports.
B. Run revaluation, translation, and eliminations; transfer data and run financial reports.
C. Run revaluation and translation, transfer data and run financial reports.
D. Transfer data and run financial reports.
E. Enter eliminating journals and run financial reports.

Answer: E

QUESTION NO: 20

ABC.com, the GL accountant, comes to you and says that he has defined the budget, and budget amounts have been entered and approved by management. After approval he wants his assistant accountants to NOT be able to update this budget. What is your response?

A. If the client wants to do this, then customization of workflow is the only option.
B. If the client wants to do this, then the budget status should be Current.
C. If the client wants to do this, then the budget status should be Frozen.
D. Oracle GL budget functionality cannot satisfy this requirement.

Answer: C

QUESTION NO: 21

Which two are true statements regarding elimination? (Choose two.)

A. You must specify an elimination company in the Elimination Sets window.
B. You can define balancing options for eliminating entries.
C. You can define an elimination set to contain a single elimination entry.
D. Currency is an optional component when defining an elimination set.

Answer: A,D

QUESTION NO: 22

What is the effect of summary accounts on the efficiency of the posting process?

A. There is no effect, because summary accounts do not use the posting process to accumulate values.
B. Use of summary accounts decreases the efficiency of the posting process.
C. Use of summary accounts neither increases nor decreases the efficiency of the posting process.
D. Use of summary accounts increases the efficiency of the posting process.

Answer: B

QUESTION NO: 23

When you enter a journal, the journals in that batch _____.

A. should share the same period
B. should share both the same period and currency
C. should share the same accounting date
D. can have different periods, currencies, and accounting dates
E. should share the same currency

Answer: A

QUESTION NO: 24

To review available Financial Statement Generator elements, which two reports would be helpful? (Choose two.)

A. Column Set Detail Listing, Report Detail Listing
B. Content Set Detail Listing, Report Set Detail Listing
C. Column Set Summary Listing, Row Set Detail Listing
D. Content Set Detail listing, Chart of Accounts - Rollup Detail Listing

Answer: C

QUESTION NO: 25

ABC.com has offices around the world, spread across different legal entities. ABC.com is implementing Oracle General Ledger. Its accounting department wants to know how to reduce the burden of elimination entries. What do you recommend?