Oracle 1z0-508

Oracle Fusion Financials 11g General Ledger Essentials

Version: 4.0

QUESTION NO: 1

Yon have entered a journal and your supervisor is asking for the current account balance and what the future account balance will be after the journal is approved and posted. How will you get this information?

A. Run Trial Balance.
B. Run the Journals- (132 Char) Report.
C. View the Projected Balances Region on the Create Journal page
D. View the Account Inquiry window

Answer: C

Explanation: Use the projected balances feature to view the impact on account balances for selected subledger journal entry lines.

The projected balances flow has the following business benefits:

Creation and validation of unposted manual journal entries by providing knowledge users with immediate and relevant information about the account balances for the selected journal lines.

Validation and reconciliation of posted journal entries by providing immediate and relevant information about the account balances for the selected journal lines.

Reference: Fusion Applications Help, Viewing Projected Balances: Points to Consider

QUESTION NO: 2

In Oracle Fusion Applications, a calendar can only have _____.

A. Oneperiod frequency and period type
B. Multiple period frequencies
C. Multiple period types
D. Multiple period frequencies and period types

Answer: A

Explanation: In Oracle Fusion applications a calendar can only have one period frequency and period type. Therefore, if you have an existing calendar with more than one period type associated with it, during the upgrade from Oracle E-Business Suite, separate calendars are created based on each calendar name and period type combination.

Reference: Fusion Applications Help, Defining Accounting Calendars: Critical Choice

QUESTION NO: 3

Transactions may involve multiple currencies that require a common currency to make the reports meaningful. What are the amounts Oracle Business Analytics Warehouse uses to store currency?

A. Global Currency (two common currencies), Document Currency,Local Currency
B. Currency Code, Currency Name
C. Currency Symbol, Currency Name
D. Report Currency

Answer: A
Explanation: Currency lookups are required because your business may have transactions involving multiple currencies. To create a meaningful report, you have to use a common currency. The Oracle Business Analytics Warehouse provides a means for converting a variety of currencies, as well as prepackaging the following three currency types for each amount stored in the Oracle Business Analytics Warehouse:

*Document currency. The currency of the transaction. For example, if you purchase a chair from a supplier in Mexico, the document currency is probably the Mexican peso.

*Local currency. The currency in which the financial books, including the transaction, are closed. For example, if your business organization is located in France and orders a part from a supplier in Britain, it may pay in British pounds, but it closes its books in French francs. In this case the local currency for the transaction is French francs and the document currency for the transaction is British pounds. The local currency is useful when each business unit of the enterprise creates its own internal reports. For example, your Japanese site may produce internal reports using Japanese yen, while your United States site may produce internal reports using United States dollars.

*Global currencies. Out of the box, Oracle BI Applications provides three global currencies, which are the standard currencies used by your entire enterprise. For example, if a multinational enterprise has its headquarters in the United States, its group currency is probably U.S. dollars. The global currency is useful when creating enterprise-wide reports. For example, a user might want to view enterprise-wide data in other currencies

Reference: Oracle Business Intelligence Applications Installation and Configuration Guide >

Configuring Common Components of the Oracle Business Analytics Warehouse > About Document, Local, and Global Currencies

QUESTION NO: 4

What is the primary source of data that is used for the Financial Reporting Center?

A. data from the balances cubes and dimensions contained in the chart of account segments
B. transaction tables
C. defined dimensions for journals
D. the Code Combinations table

Answer: A

Explanation: Administrators need to create database connections from Workspace so users can access the cubes from either Workspace or Financial Reporting Studio.

Reference: Oracle Fusion Applications Financials Implementation Guide 11g, Setting up Your Financial Reporting Center: Critical Choices

QUESTION NO: 5

The Receivables and Payables accounts that are automatically generated by intercompany transactions use rules and attributes in what order?

A. Primary Balancing Segment Rules; Ledger Entity Level Rules; Ledger Level Rules;Chart of Account Rules
B. Ledger entity Level Rules; ledger Level Rules; Chart of Account Rules; Primary Balancing Segment Rules
C. Chart of Account Rules; Primary Balancing Segment Rules; Ledger Entity Level Rules; Ledger Level Rules
D. Ledger Level Rules;Primary Balancing Segment Rules;Ledger Entity Level Rules; Chart of Accounts Rules
E. Chart of Account Rules; Ledger Entity Level Rules, Primary Balancing Segment Rules; Ledger Level Rules

Answer: A

Explanation: Defining Intercompany Balancing Rules

You can define intercompany balancing rules at the following rule levels:

1.Primary balancing segment

2.Legal entity

3.Ledger

4.Chart of accounts

The rules are evaluated in the order shown above.

Reference: Oracle Fusion Accounting Hub Implementation Guide, Intercompany Balancing Rules: Explained

QUESTION NO: 6

Where do actions that are configured for execution in the Action Framework appear in Oracle Business intelligence Enterprise Edition?

A. In the Oracle BI EE Global Header section

B. In the Analysis, Dashboards, Agents, KPIs, and scorecard objectives sections (standard and mobile)

C. In theMY Favorite region

D. through OBIEE Mobile

Answer: B

Explanation:

Reference: OBIEE 11gR1 : Action Framework and Conditions

QUESTION NO: 7

Select the key performance indicator (KPI) that provides a trend of the cost of an item as part of Gross Margin Analysis

A. Item Cost KPI

B. Value Trends KPI

C. Gross Margins KPI

D. Inventory Value KPI

Answer: A

Explanation:

Note:

* Overhead Costs Expensed or Capitalized

On inbound transactions and inventory transfer transactions, overhead expenses can be absorbed and capitalized into inventory value, or the absorption can be redirected to an expense account: a credit to an absorption account and a debit to either an inventory or expense account. On outbound transactions, overhead absorption is redirected to an expense account, and will be included in the gross margin calculation.

For example, consider a receipt of inventory items that cost $10 each to purchase, and you would like to absorb overhead cost of $2 each on the inbound transaction. When the item is sold, you would like to absorb additional overhead of $3 each on the outbound transaction. The total cost of goods sold is $15 each.

*Fusion Costing analytics include support for Gross Margin Analysis, Item Cost Trend and Item Value trend, embedded in the Fusion Cost Accountant's dashboard

Reference: Oracle Fusion Applications Cost Accounting and Receipt Accounting Implementation Guide 11g, Overhead Costs Expensed or Capitalized

QUESTION NO: 8

Choose the four steps required to create and use the chart of accounts.

A. Create Value Sets.
B. Create Chart of Accounts Structure.
C. Create Chart of Accounts Structure Instance.
D. Create Value Set Values.
E. Create Account Hierarchies.
F. Publish Account Hierarchies.

Answer: A,B,D,E
Explanation: To set up your chart of accounts:
1. (A) Define value sets. Value sets determine the attributes of your account segments such as the segment length, whether to require a segment value, value alignment, and value security.
2. (B) Define your account structure. Indicate how many separate segments your account will have, and for each segment, enter a name, sequence number, and an associated value set.
3. Define rollup groups to create summary accounts whose summary balances you can review. You assign parent segment values to rollup groups.
4. Define your account segment values. If you plan on defining summary accounts or reporting hierarchies, you must define parent values as well as child or detail values.

You can set up hierarchy structures for your segment values. Define parent values that include child values. You can view a segment value's hierarchy structure as well as move the child ranges from one parent value to another.

Note:segment values(D)

Use the segment values windowto define values that belong to independent or dependent value sets.

5. Define Security Rules to restrict user access to certain account segment values.

6. Define cross-validation rules to control the account combinations you want General Ledger to allow. For example, you may decide that your sales cost centers, 600 to 699, should only enter amounts to product sales accounts, 4000 to 4999.

7. Define or enable descriptive flexfields.

8. Define account shorthand aliases to speed entry of account segment values. If you enable shorthand alias flexfield entry when you define your account structure, then you can define aliases, or codes, which stand for complete or partial accounts.

9. Define summary accounts to create and maintain summary balances for quick reporting and online inquiry.

10. Create account combinations.

Reference: Defining Your Chart of Accounts

QUESTION NO: 9

Which view do you use to set parameters and define the data that is displayed in the SmartView report.

A. SmartSlice
B. SmrtView
C. Point of View
D. SmartCube

Answer: A

Explanation: Smart Slices are stored centrally and are available to users from the Smart View Panel.

An entire report is associated with an Excel workbook, a Word document, or a PowerPoint presentation. One report is associated with an Excel worksheet, a Word page, or a PowerPoint slide. For PowerPoint presentations, Oracle recommends one report type per slide.

You can create reports from entire Smart Slices or from subsets of data in a Smart Slice. Reports can then be displayed on an Excel spreadsheet, Word document, or PowerPoint slide. You can display as many reports from as many data sources as space will permit on one sheet

Reference: Oracle Hyperion Smart View for Office, User's Guide

QUESTION NO: 10

Fusion Accounting Hub includes Hyperion Data Management, which can be used for_____.

A. Chart of Accounts Hierarchy maintenance
B. the maintenance of Trading Community Data
C. Chart of Accounts Master Data maintenance
D. data access and security
E. data modeling

Answer: C
Explanation: Oracle Fusion Accounting Hub is integrated with Oracle Hyperion Data Relationship Management, Fusion Edition, which is a master data management solution for creating and maintaining hierarchies across your enterprise. This integration allows you to maintain your charts of accounts values and hierarchies in one central location, and then to synchronize your hierarchies in Oracle Fusion and E-Business Suite General Ledgers. With licensing and integration of Data Relationship Management, you can:

* Update and change Data Relationship Management versions and hierarchies. The results of these changes are exported to the values sets in the Oracle Fusion and E-Business Suite General Ledgers, E-Business Suite parent child hierarchies, and Oracle Fusion Trees.

* Synchronize charts of accounts and hierarchies across multiple Oracle general ledger instances.

* Store segment value attributes, such as account type, start date, and end date, providing the ability to enter such values in Data Relationship Management and integrate them to Oracle Fusion and E-Business Suite General Ledgers.

* Submit standardized E-Business Suite Standard Request Submission and Oracle Fusion Enterprise Schedule Service requests from both the E-Business Suite and the Oracle Fusion General Ledgers to import values from Data Relationship Management.

Reference: Oracle Fusion Accounting Hub Implementation Guide 11g, Integration with Hyperion Data Management

QUESTION NO: 11

Account Rules are specific to _____.

A. Subledger application
B. Event Classes
C. Event Types
D. Accounting methods
E. Journal Rule sets

Answer: A
Explanation:
Note:
* The Create Accounting process uses the values of sources assigned to accounting attributes plus accounting rules to create subledger journal entries.
* Accounting rules can be defined with either a top down, or a bottom up approach. When defining subledger accounting rules from the top down, you will initially define the accounting method followed by components of each rule, which will need to be assigned to it. When defining subledger accounting rules from the bottom up, you will initially define components for each rule and then assign them as required.
* Define accounting rules to create revenue recognition schedules for your invoices. Accounting rules determine the number of periods and percentage of total revenue to record in each accounting period. You can use accounting rules with transactions that you import into Receivables using AutoInvoice and with invoices that you create manually in the Transaction windows. You can define an unlimited number of accounting rules.
*Use accounting rules to determine revenue recognition schedules for your invoice lines. You can assign a different accounting rule to each invoice line. Accounting rules let you specify the number of periods and the percentage of the total revenue to recognize in each period.
You can also specify whether the accounting rules are of Fixed or Variable Duration. Accounting rules of **Fixed Duration** span a predefined number of periods. Accouning rules of **Variable Duration** let you define the number of periods during invoice entry.

Reference: Oracle Fusion Applications Financials Implementation Guide, Define Subledger Accounting Rules

QUESTION NO: 12

Which method will reverse accruals in the next accounting period?

A. Create two events, one for accrual and another for the reversal.
B. Create one entry and use Accrual Reversal GL Date.
C. Create one event and use the Accounting Reversal attribute.
D. Create one event and use the GL functionality to perform the reversal.

Answer: B
Explanation: The Accrual Reversal GL Date accounting attribute is relevant to applications using the accrual reversal feature.

When the accrual reversal GL date accounting attribute returns a value, the Create Accounting program generates an entry that reverses the accrual entry.

Note:
* If an invoice is not entered by period end, the Receipt Accruals - Period End process will generate accruals and transfer the accounting for them to the GL Interface. Use the Journal Import program to create unposted journals. This journal is created with a reversal date in a subsequent period. The journal must be reversed so your receipt liability is not overstated.

Reference: Oracle Financial Services Accounting Hub Implementation Guide, GL Date Accounting Attributes

QUESTION NO: 13

The life cycle of a transaction's accounting impact is modeled by using_____.

A. Event Classes and Types
B. Process Categories
C. Journal Categories
D. Journal Sources
E. Event Entities

Answer: A
Explanation:
Note:
* Accounting events have financial accounting significance and are used as a basis for the recording of financial information.
*The event status is an indicator of what actions have been completed on the transaction and what operations are yet to be done. It is a snapshot of where the transaction is in its accounting event life cycle.

Reference: Oracle Financial Services Accounting Hub Implementation Guide