

Audit Journals Restrictions

Why are some accounts restricted in d6 Finance and cannot be posted to directly?

1. Control Accounts (Subledger-Linked Accounts)

Examples include:

In-Advance Payments, Learner Control Accounts, Other Debtor Control Accounts, Collector Control Accounts, Creditor Control Accounts, Project Control Accounts.

Why posting is restricted:

These are **system-controlled accounts** linked directly to subledgers (learners, debtors, creditors, collectors, etc.).

All transactions affecting these accounts must be processed directly through the relevant subledger using the appropriate transaction type (for example: **the learner billing, debtor or creditor journals, debtor or creditor invoices, receipts, or payments**).

This ensures:

- Subsidiary ledger balances agree with the relevant control account on the general ledger
- Accurate age analysis reporting
- Proper audit trails

Direct journal postings to these accounts would cause discrepancies between the subledger and the general ledger, which may result in audit findings and reporting inaccuracies.

2. Income and Expense Accounts Linked to Payment Options

Why posting is restricted:

Income and expense accounts that are linked to payment options form part of the system's automated billing and allocation structure.

When an account is linked to a payment option, the system requires that transactions be processed through the correct billing and payment processes (for example: **learner billing, credit notes, receipts, supplier invoices, or payments**).

Manual postings are restricted because direct journal entries would:

- Bypass the billing and allocation process
- Cause discrepancies between billed amounts and collected amounts
- Affect accurate income or expense reporting

Allowing direct posting would interrupt this structured flow and could result in reporting inconsistencies or audit findings.

Important Note Regarding Unlinking Accounts

Income and expense accounts linked to payment options can technically be unlinked if changes are required. However, this is **not recommended** unless there is a clear understanding of the accounting impact.

When a payment option is linked:

- Invoices post automatically to the linked income account
- The corresponding debtor control account is updated simultaneously
- The subledger and General Ledger remain aligned

If adjustments are required, it is advisable to:

- Review the impact before unlinking
- Consult with your accountant or auditor as it might be best to create a separate account to record your other transactions
- Contact support for guidance on the correct correction process

3. Bank Accounts

Why posting is restricted:

Bank accounts must be updated through:

Receipts, Payments, Transfers, Deposits and Debtors journals (**Only for refunds**).

Certain restrictions are applied to prevent bypassing standard transaction workflows.

This ensures:

- Accurate bank reconciliations
- Proper cash flow tracking
- Valid audit trails
- Prevention of duplicate or unsupported entries

Maintaining structured bank processing protects the integrity of your monthly reconciliations.

4. Retained Income Account

Why posting is restricted:

The Retained Income (Accumulated Surplus/Deficit) account is a **year-end system account**.

This account is automatically updated during the year-end rollover process when the system closes off income and expense accounts. Manual posting is restricted because:

- It forms part of the official financial position of the school
- Incorrect postings affect the Balance Sheet
- It can distort surplus/deficit reporting

Adjustments to retained income should only be made through approved year-end processes or guided journal entries where appropriate.

5. Important Note

These restrictions are not errors — they are protective accounting controls built into the system to:

- Safeguard financial accuracy
- Ensure compliance with accounting principles
- Maintain audit readiness
- Prevent subledger and General Ledger mismatches