How to create a ledger in Oracle EBS: define the chart of accounts, calendar, and currency

This guide shows you how to create a ledger in Oracle EBS, starting with the groundwork a ledger depends on. You build an accounting flexfield structure with segments and value sets, assign flexfield qualifiers, and compile the flexfield. You then enter segment values, review calendar period types and currencies, and gather the four components you need to define the ledger.

Prerequisites

Before you begin, make sure you have the following:

- A login to Oracle E-Business Suite.
- Access to the **General Ledger** responsibility.
- Your chart of accounts requirements, including the segments you plan to use (this guide uses Company, Department, Account, Products, and Spare).
- Your calendar and currency requirements, which you review in later steps.

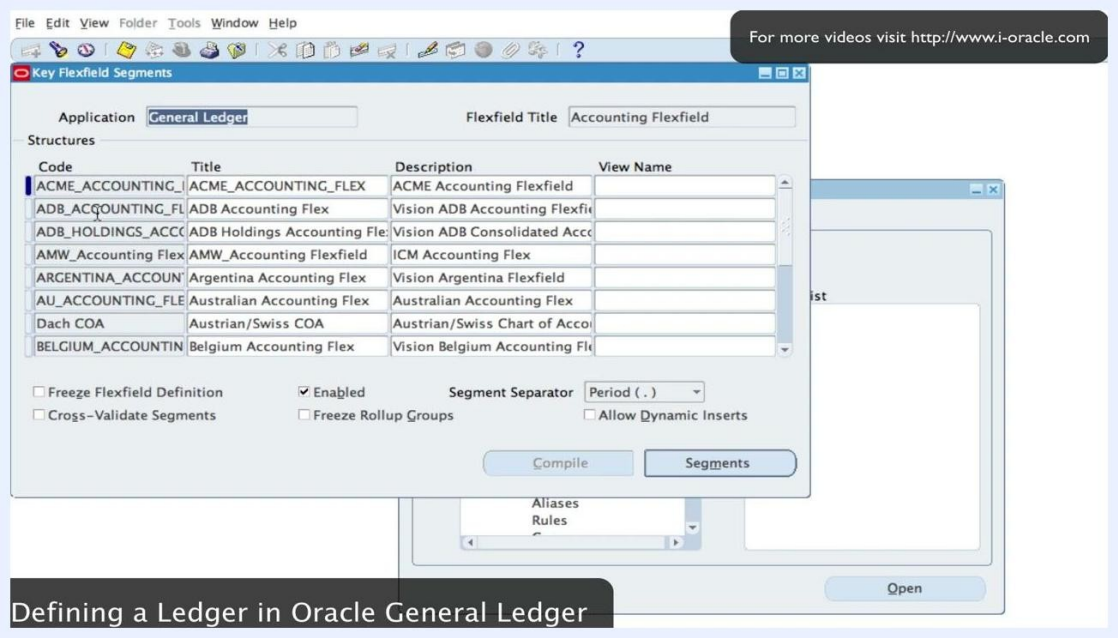
Open the General Ledger responsibility

Step 1: Log in and select the General Ledger responsibility

1. Log in to Oracle E-Business Suite.
2. From the navigator, select your **General Ledger** responsibility.

Step 2: Open the key flexfield segments setup

From the navigator, expand **Setup** > **Financials**. This menu lets you define flexfields, calendars, ledger sets, access sets, and document sequences.



Navigator window with Setup > Financials selected, showing options such as Accounts, Journal, and Currencies

In the **Setup** > **Financials** menu, select the option to manage key flexfield segments for the General Ledger application. Then open the **Key Flexfield Segments** window.

Create the accounting flexfield structure

Step 3: Create a new accounting flexfield structure

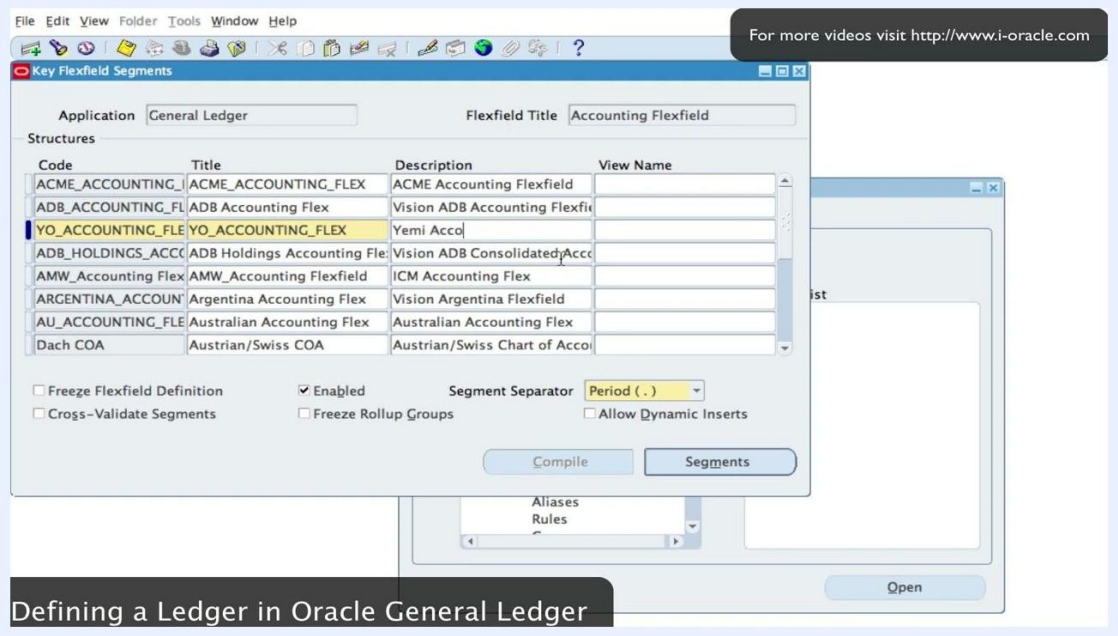
In the **Key Flexfield Segments** window, click to add a new line in the Structures table. Enter the following details:

- **Code:** YO_ACCOUNTING_FLEX
- **Title:** YO_ACCOUNTING_FLEX
- **Description:** Yemi Accounting Flexfield (replace with your company name if you like)

Then make sure these options are set:

- **Enabled:** checked

- **Segment Separator:** Period (.)



Key Flexfield Segments window with the new YO_ACCOUNTING_FLEX structure, the description Yemi Accounting Flexfield, and the segment separator set to Period (.)

Step 4: Add segments and create a value set for the Company segment

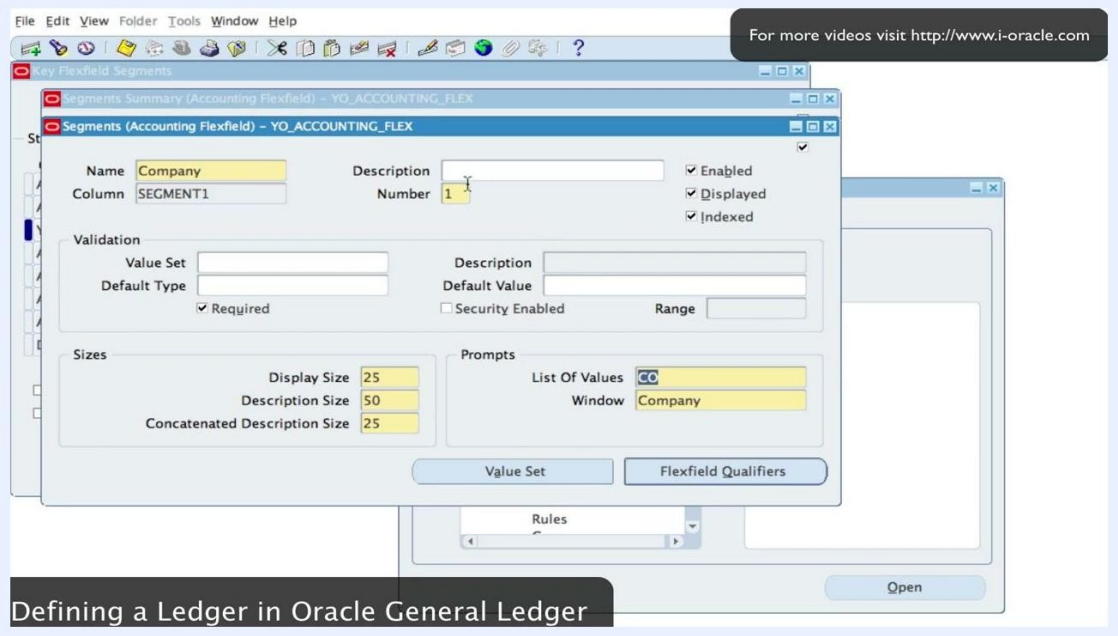
Add five segments to your flexfield structure:

- **Company**
- **Department**
- **Account**
- **Products**
- **Spare** (for future use or flexibility)

Select **New** to add the first segment. Enter these details for the Company segment:

- **Name:** Company
- **Column:** SEGMENT1
- **Number:** 1
- **Prompts** > **List Of Values:** change from Company to CO
- **Prompts** > **Window:** Company
- **Sizes** > **Display Size:** 25
- **Sizes** > **Description Size:** 50
- **Sizes** > **Concatenated Description Size:** 25

Make sure **Enabled**, **Displayed**, **Indexed**, and **Required** are all checked.



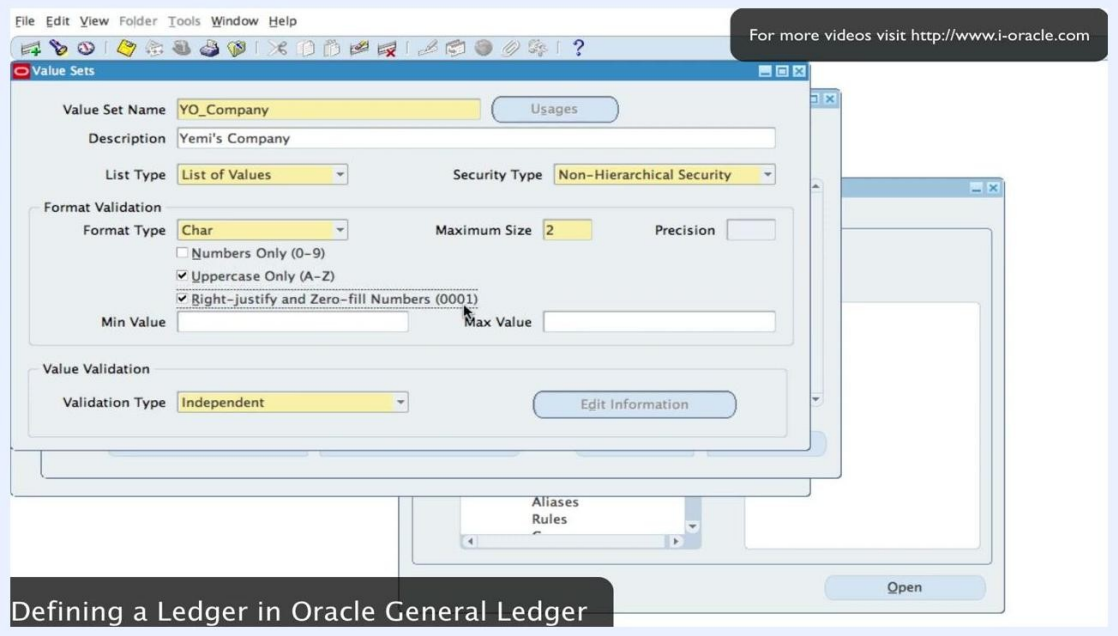
Segments window for YO_ACCOUNTING_FLEX showing the Company segment with Number 1 and List Of Values changed to CO

Save your changes and exit the form.

Next, navigate to the **Value Set** form and click **Value Set** to open the Value Sets window. Create a new value set with these details:

- **Value Set Name:** YO_Company
- **Description:** Yemi's Company
- **List Type:** List of Values
- **Security Type:** Non-Hierarchical Security (you can choose No Security or Hierarchical Security as needed)
- **Format Type:** Char
- **Maximum Size:** 2
- **Uppercase Only (A-Z):** checked
- **Right-justify and Zero-fill Numbers (0001):** checked, so that entering 1 displays as 01

- **Validation Type:** Independent



Value Sets window showing YO_Company with List of Values, Non-Hierarchical Security, Char format, Maximum Size 2, and the uppercase and zero-fill options checked

You use this value set for your Company segment. It enforces two-character, uppercase company codes that are zero-filled as needed, such as 01 and 02.

Define value sets for the remaining segments (Department, Account, Products, and Spare) according to your chart of accounts requirements.

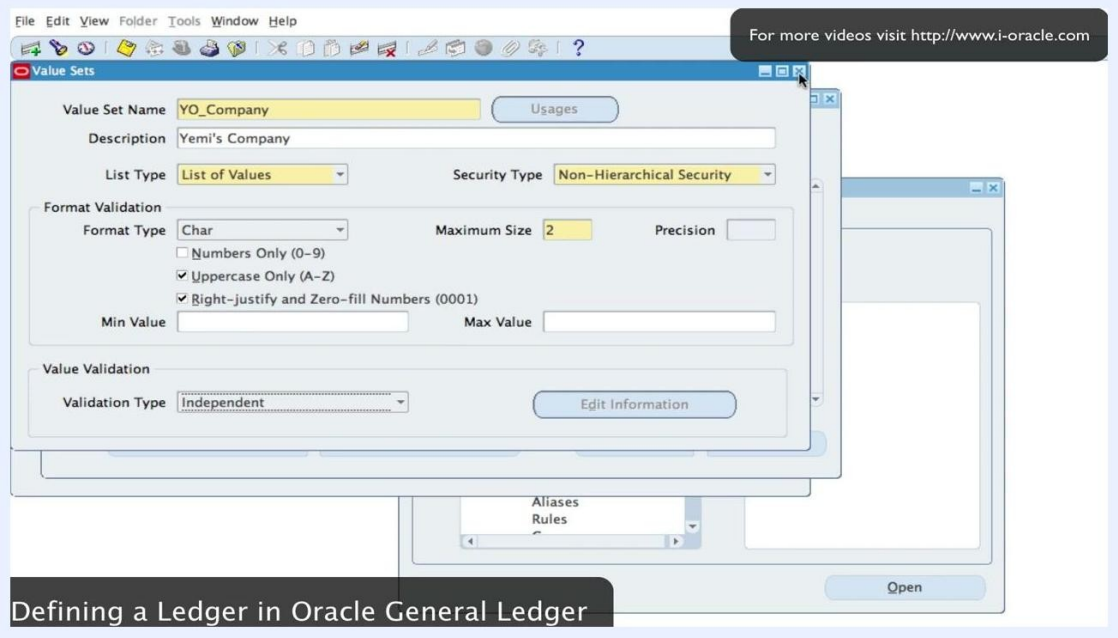
Step 5: Finalize the value set and assign it to the Company segment

Review the value set configuration for the Company segment:

- **Value Set Name:** YO_Company
- **Description:** Yemi's Company
- **List Type:** List of Values
- **Security Type:** Non-Hierarchical Security
- **Format Type:** Char
- **Maximum Size:** 2
- **Uppercase Only (A-Z):** checked
- **Right-justify and Zero-fill Numbers (0001):** checked
- **Numbers Only (0-9):** leave unchecked to allow alphanumeric values

- **Min Value / Max Value:** leave blank unless you want to restrict the range of values
- **Validation Type:** Independent

Leave the validation type as Independent unless you need a different one. Your business requirements may call for Dependent, None, Pair, Special, Table, Translatable Independent, or Translatable Dependent.



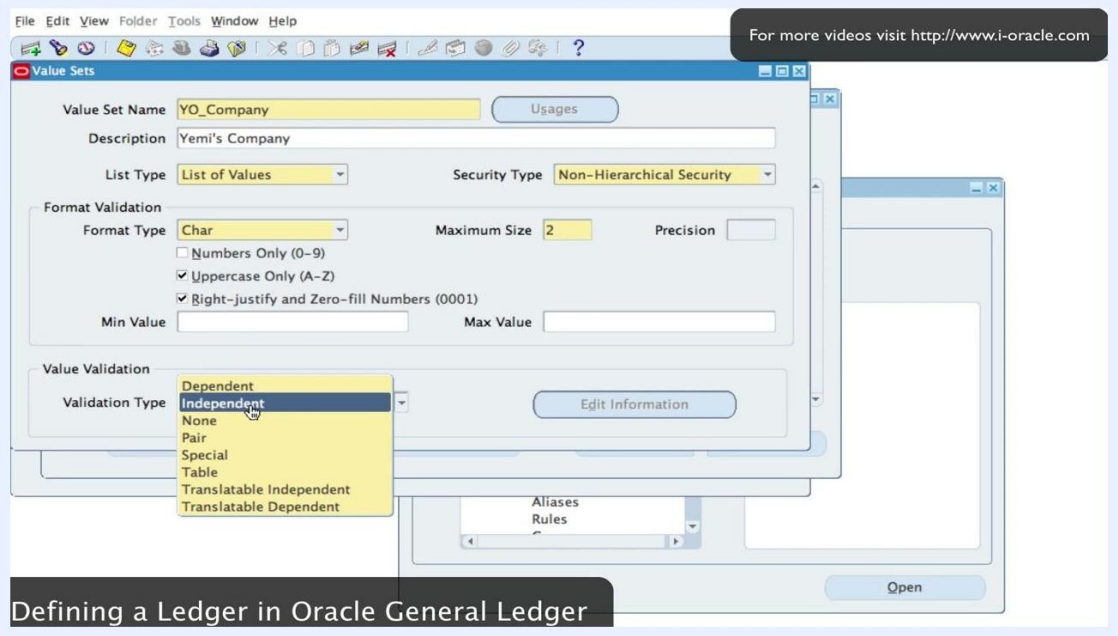
Value Sets window showing YO_Company with Validation Type set to Independent

Save the value set to complete its creation.

Now assign the value set to the Company segment:

1. Return to the **Key Flexfield Segments** window.
2. In the row for the **Company** segment, click the **Value Set** field.
3. In the **Value Sets** search window, enter YO% in the **Find** field to locate your value set quickly.
4. Select YO_Company from the search results.

5. Click **OK** to assign the value set to the Company segment.



Key Flexfield Segments window with the Value Sets search window open and YO% entered in the Find field

If your configuration requires it, you can also specify a flexfield qualifier for the segment at this point.

Proceed to define and assign value sets for the remaining segments (Department, Account, Products, and Spare) according to your chart of accounts requirements.

Assign flexfield qualifiers

Step 6: Open the flexfield qualifiers for your segments

Open the **Segments Summary (Accounting Flexfield)** window for your structure, for example YO_ACCOUNTING_FLEX. This window lists all defined segments for your accounting flexfield, such as Company, Department, Account, Product, and Spare.

Click **Flexfield Qualifiers** to assign qualifiers to each segment. The **Flexfield Qualifiers (Accounting Flexfield)** window appears and shows these qualifiers:

- Cost Center Segment
- Natural Account Segment

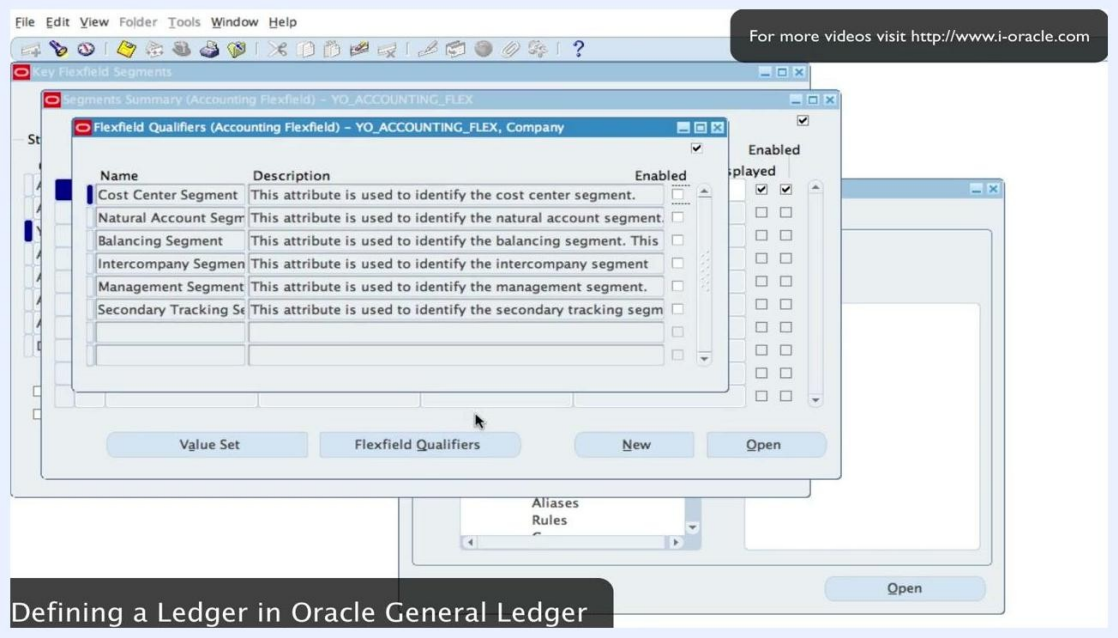
- Balancing Segment
- Intercompany Segment
- Management Segment
- Secondary Tracking Segment

Each qualifier has a description and an **Enabled** checkbox.

Step 7: Assign the Balancing Segment qualifier

1. Select the segment where you want your debits and credits to balance, for example Company.
2. In the Flexfield Qualifiers window, check **Enabled** for **Balancing Segment**.

This ensures the selected segment is used for balancing entries.



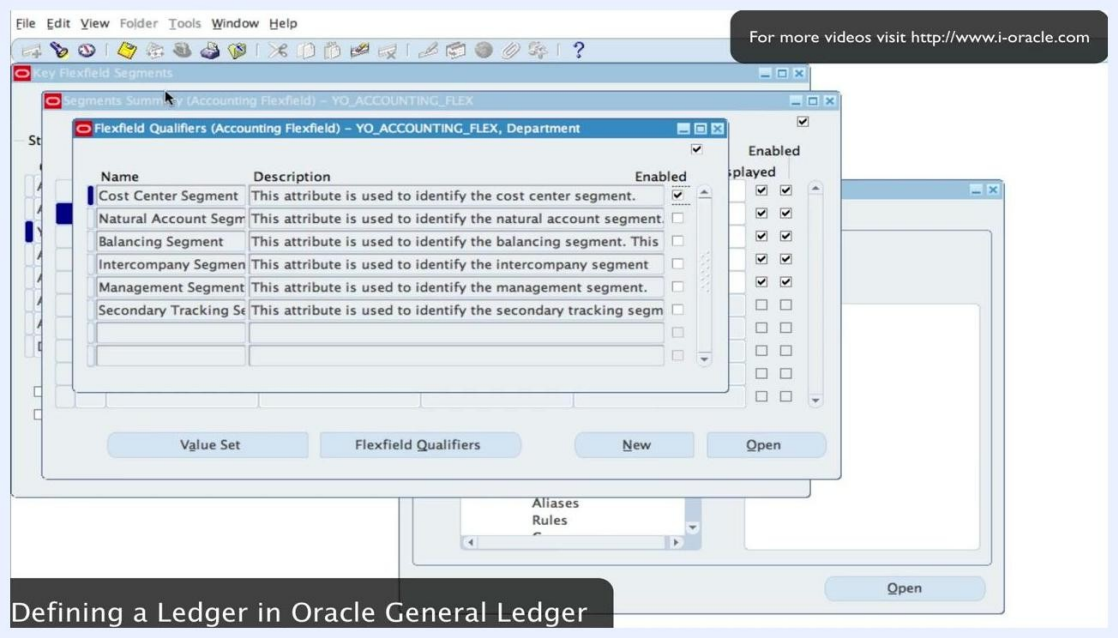
Flexfield Qualifiers window with Balancing Segment enabled for the selected segment, listing all available qualifiers and their descriptions

Step 8: Save your changes and close the Flexfield Qualifiers window

Click the save icon or use the menu to save. Then close the Flexfield Qualifiers window to return to the Segments Summary.

Step 9: Repeat the process for other segments

Select another segment and click **Flexfield Qualifiers**. For example, select the Department segment and enable the **Cost Center Segment** qualifier.



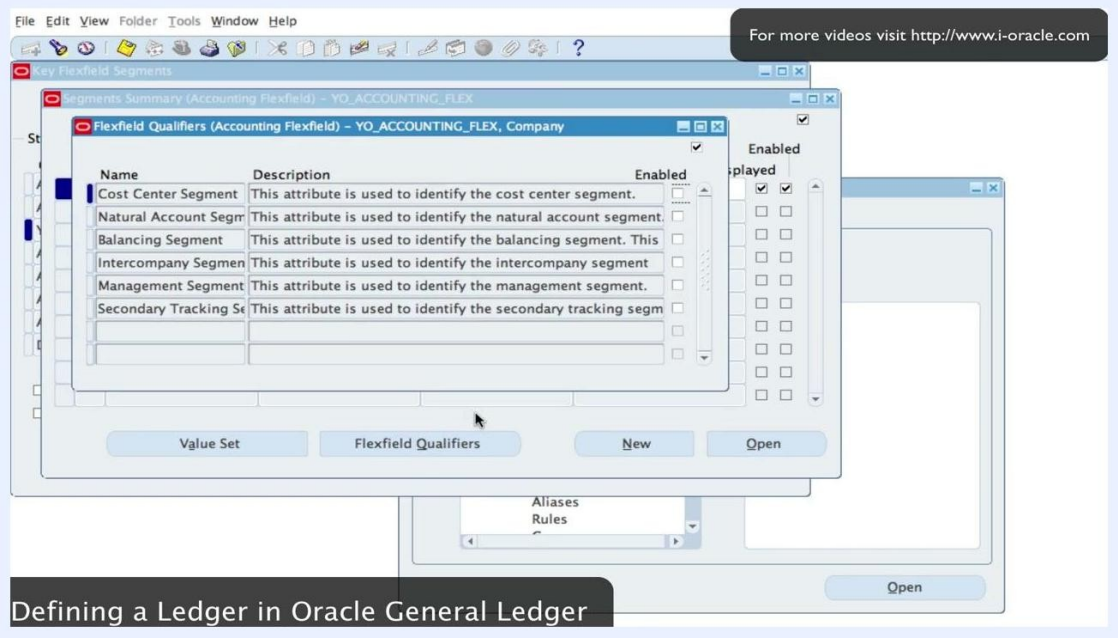
Flexfield Qualifiers window with Cost Center Segment enabled for the Department segment

Step 10: Review the segments summary

Review the Segments Summary to make sure every segment has the correct qualifier. An example configuration looks like this:

- Company: Balancing Segment
- Department: Cost Center Segment
- Account: Natural Account Segment
- Product: no qualifier

- Spare: no qualifier



Segments Summary window listing the Company, Department, Account, Product, and Spare segments with their prompts, columns, and value sets

Enable dynamic inserts and freeze the flexfield

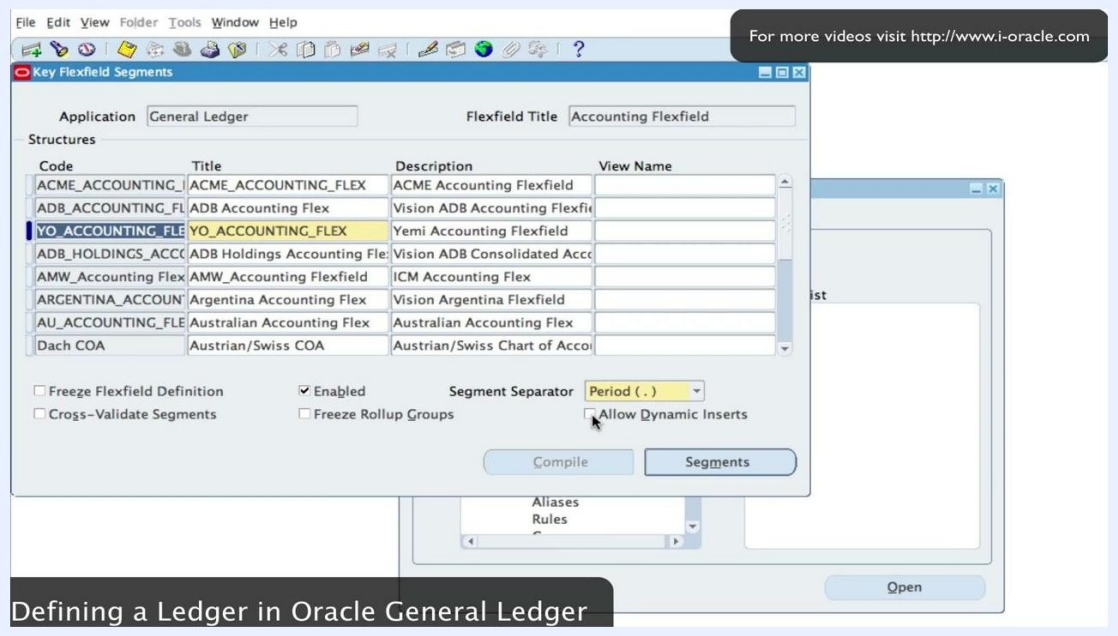
Step 11: Allow dynamic inserts for the key flexfield segments

Return to the main **Key Flexfield Segments** window and confirm that your structure (for example YO_ACCOUNTING_FLEX) is selected.

Then set the segment separator and enable dynamic inserts:

1. Set **Segment Separator** to Period (.).

2. Check **Allow Dynamic Inserts** to permit automatic creation of new account combinations.



Key Flexfield Segments window with YO_ACCOUNTING_FLEX selected, Segment Separator set to Period (.), and Allow Dynamic Inserts checked

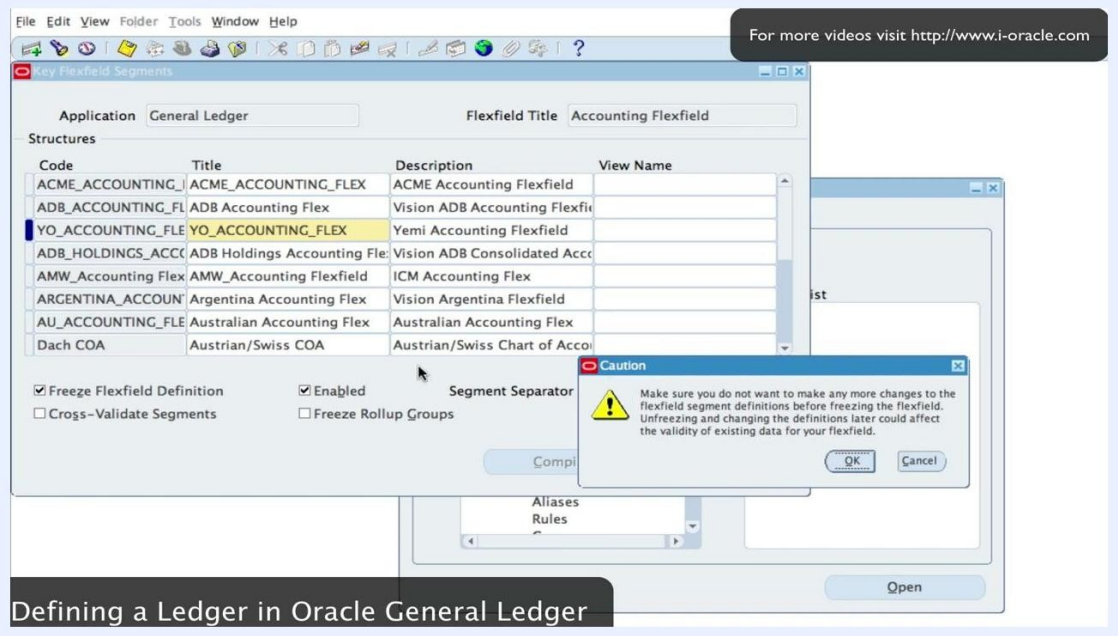
Step 12: Save your configuration

Click the save icon or use the menu to save your changes.

Step 13: Freeze the flexfield definition

1. Check **Freeze Flexfield Definition**.
2. Read the caution dialog. It warns that unfreezing and changing definitions later could affect existing data.

3. Click **OK** to confirm and freeze the definition.



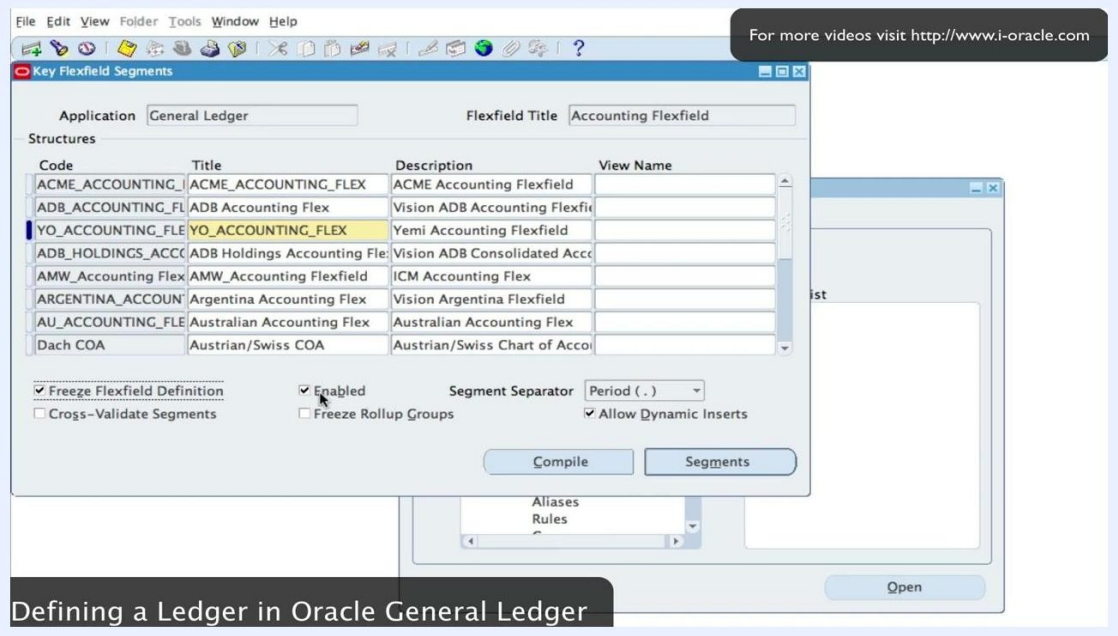
Key Flexfield Segments window with Freeze Flexfield Definition checked and a caution dialog displayed

Step 14: Review your structure and settings

Check the following:

- **Enabled** is checked.
- The segment separator is set to Period (.).
- **Allow Dynamic Inserts** is checked.

- The structure is frozen and ready for use.



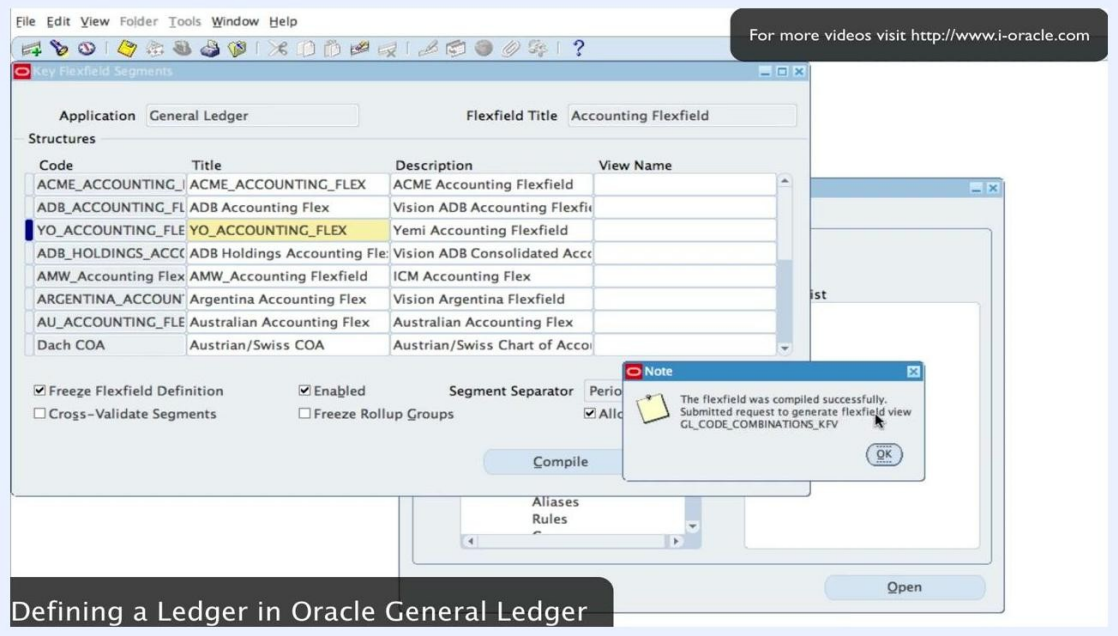
Key Flexfield Segments window showing the final configuration with Freeze Flexfield Definition, Enabled, and Allow Dynamic Inserts checked and the separator set to Period (.)

You have now assigned flexfield qualifiers, set up your segment structure, enabled dynamic inserts, and frozen the flexfield definition in Oracle General Ledger.

Step 15: Compile the flexfield

1. After freezing the flexfield definition, click **Compile** in the Key Flexfield Segments window.
2. Wait for the confirmation dialog to appear.
3. In the **Note** dialog, verify the message: "The flexfield was compiled successfully. Submitted request to generate flexfield view GL_CODE_COMBINATIONS_KFV."

4. Click **OK** to close the dialog.



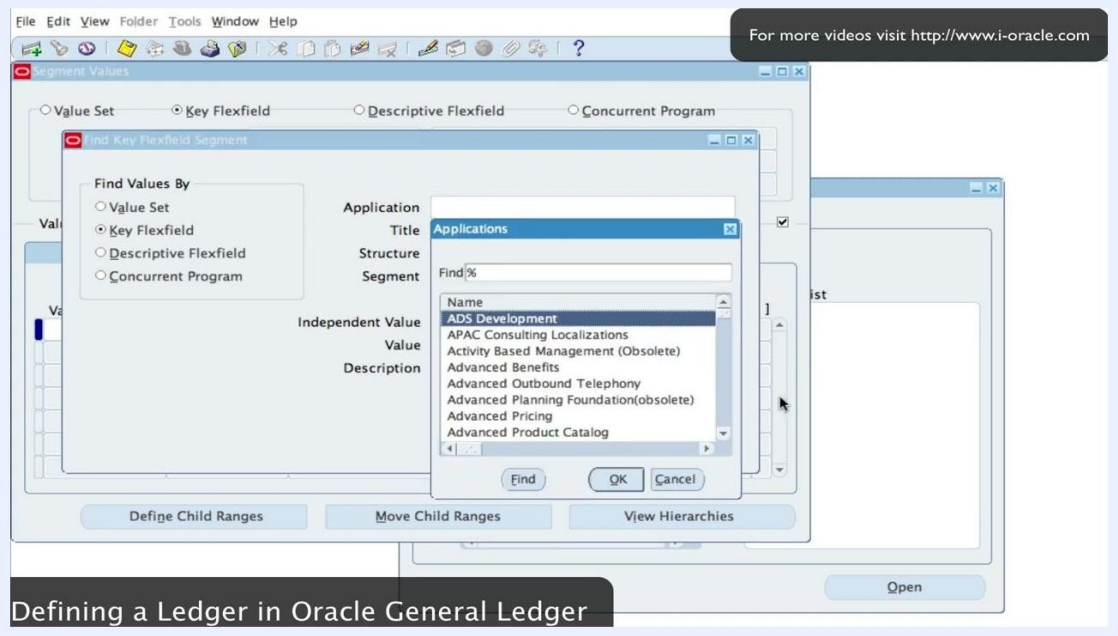
Key Flexfield Segments window with a Note dialog confirming successful flexfield compilation and the view generation request

Enter segment values

Step 16: Open the Find Key Flexfield Segment window

1. In the Setup: Financials section, select the option to define flexfield values.
2. In the **Find Key Flexfield Segment** window that appears, make sure **Key Flexfield** is selected as the search method.

3. Prepare to enter search criteria for your flexfield segment.

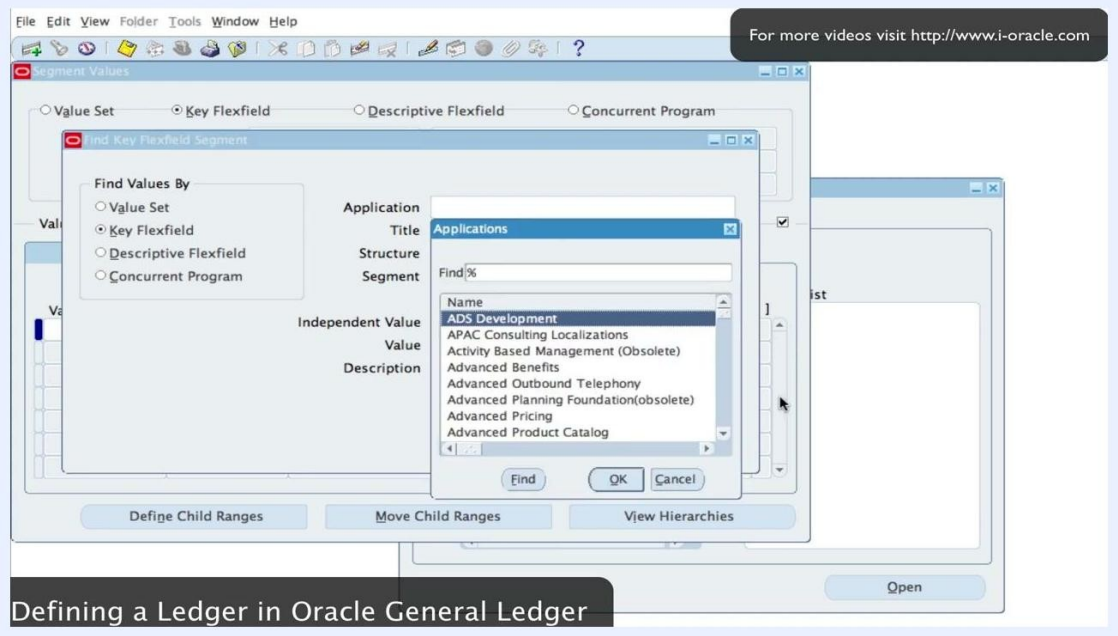


Find Key Flexfield Segment window with search fields for Application, Title, Structure, and Segment

Step 17: Select General Ledger as the application

1. Click the list of values (LOV) button next to the **Application** field.
2. In the Applications popup, scroll or search for General Ledger.

3. Select General Ledger and click **OK**.

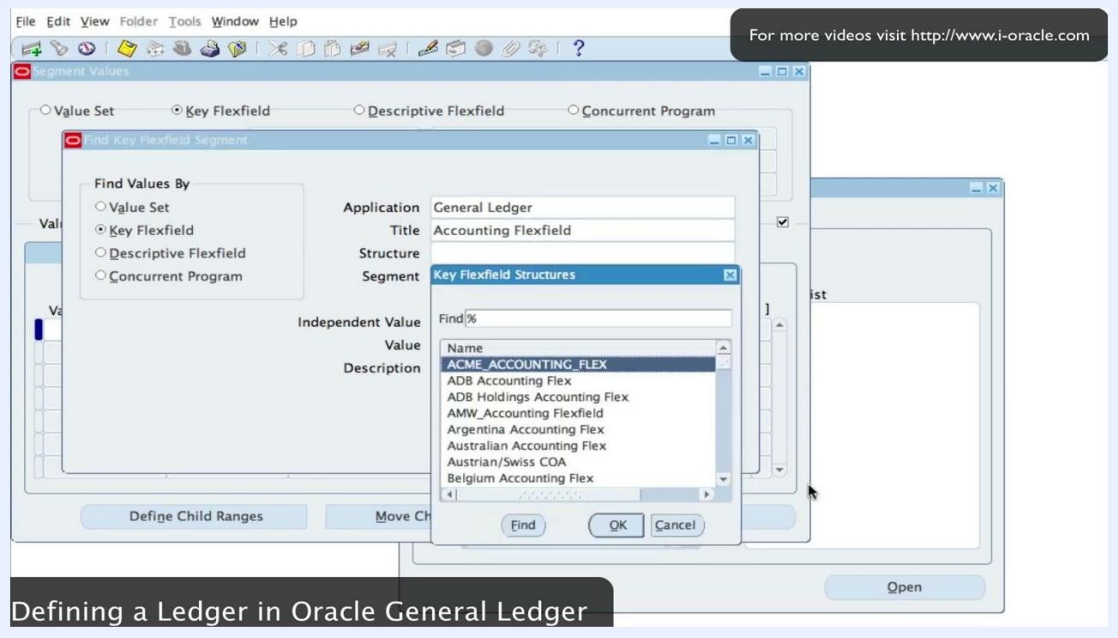


Applications popup window listing application names, ready for you to select General Ledger

Step 18: Select YO_ACCOUNTING_FLEX as the structure

1. In the **Structure** field, click the LOV button.
2. In the Key Flexfield Structures popup, scroll or search for YO_ACCOUNTING_FLEX.

3. Select YO_ACCOUNTING_FLEX and click **OK**.



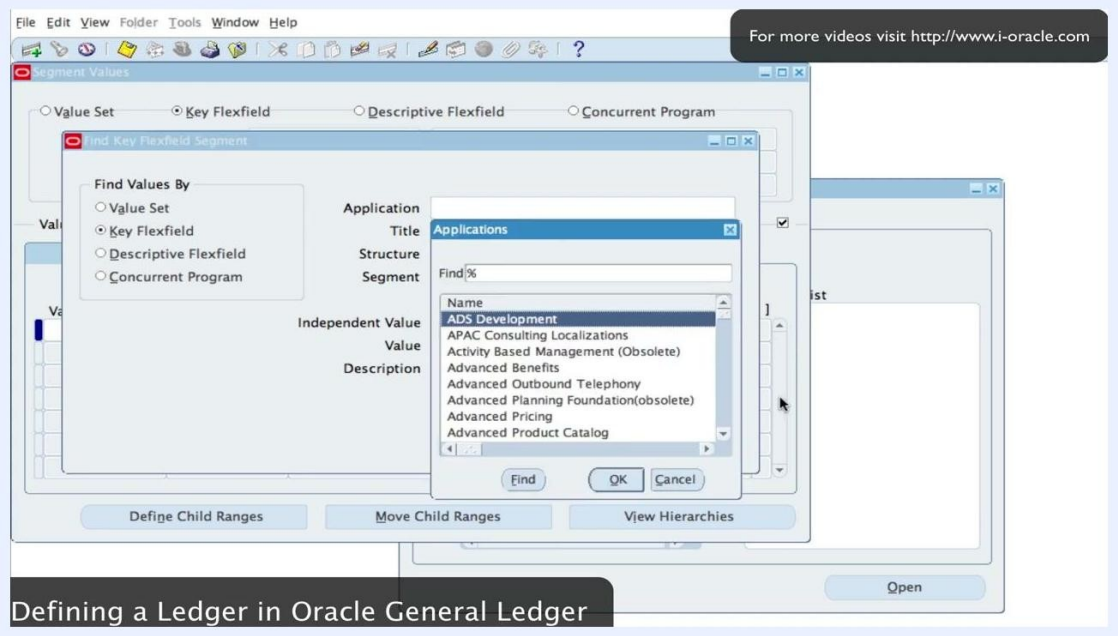
Key Flexfield Structures popup window listing structure names, ready for you to select YO_ACCOUNTING_FLEX

Step 19: Find the Company segment values

In the Find Key Flexfield Segment window, confirm these values:

- **Application:** General Ledger
- **Title:** Accounting Flexfield
- **Structure:** YO_ACCOUNTING_FLEX

Leave the **Segment** field blank to review all segments, or enter Company to focus on the Company segment. Click **Find** to display the segment values.



Find Key Flexfield Segment window with the Application, Title, and Structure fields filled in for YO_ACCOUNTING_FLEX

Step 20: Add the first value for the Company segment

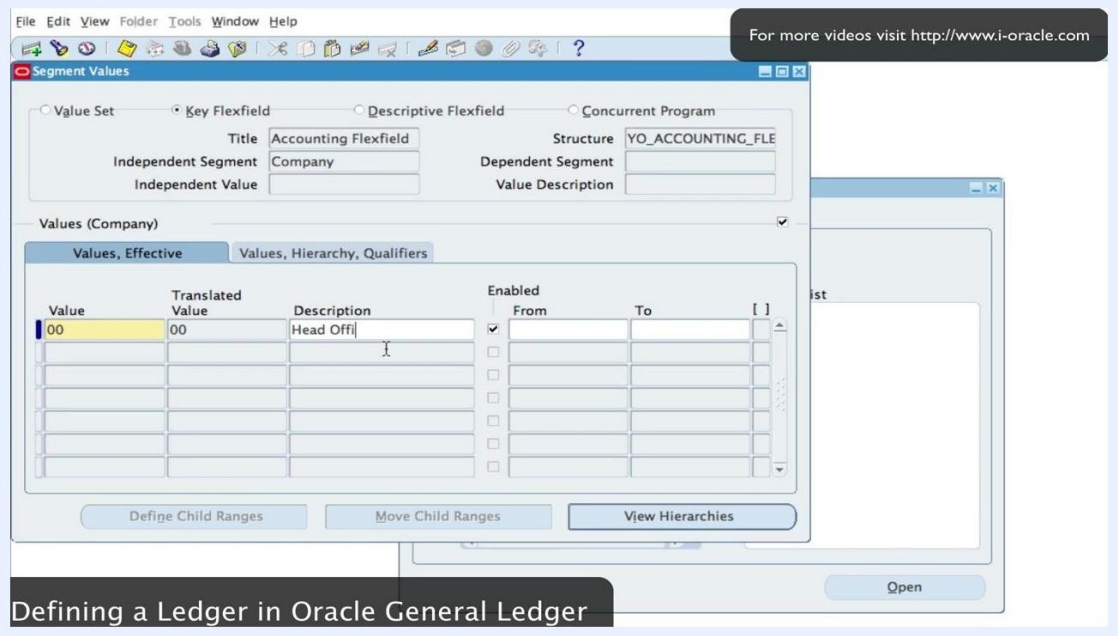
In the **Segment Values** window, make sure of the following:

- **Title:** Accounting Flexfield
- **Structure:** YO_ACCOUNTING_FLEX
- **Independent Segment:** Company

In the **Values (Company)** section, enter this row:

- **Value:** 00
- **Translated Value:** 00
- **Description:** Head Office
- **Enabled:** checked

Press Tab or Enter to move to the next row.



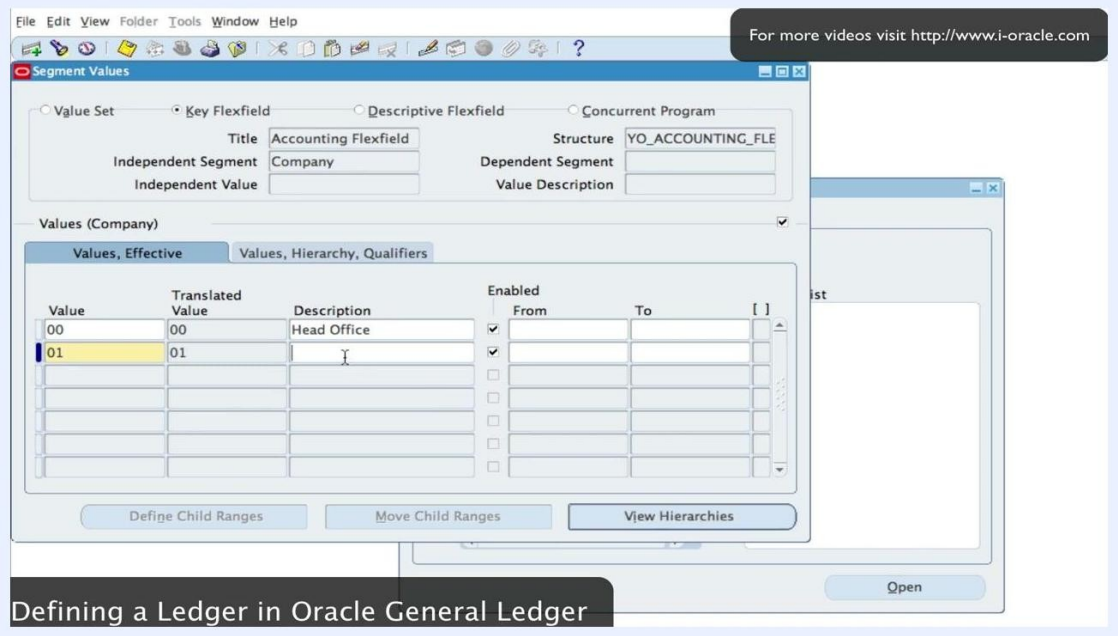
Segment Values window for the Company segment of YO_ACCOUNTING_FLEX with value 00 (Head Office) entered and enabled

Step 21: Add more company values

In the next row, enter:

- **Value:** 01
- **Translated Value:** 01
- **Description:** an appropriate description
- **Enabled:** checked

Continue adding values for each company you need.



Segment Values window for the Company segment with values 00 (Head Office) and 01 entered and enabled

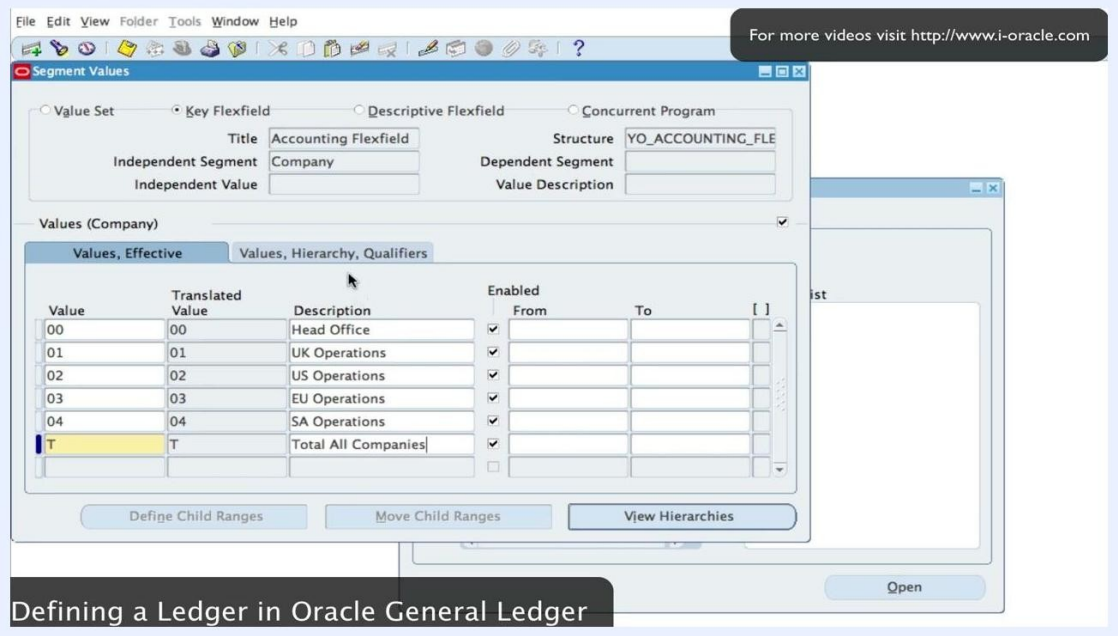
You have now compiled your flexfield, opened the segment value definition screens, and begun entering company segment values for your accounting flexfield structure in Oracle General Ledger.

Step 22: Add a Total All Companies value

In the Segment Values window for the Company segment, enter a new row with these details:

- **Value:** T
- **Translated Value:** T
- **Description:** Total All Companies
- **Enabled:** checked

This value represents a summary, or parent, for all company values.



Segment Values window showing the new value T (Total All Companies) entered in the Company segment

Step 23: Set Total All Companies as a parent in the hierarchy

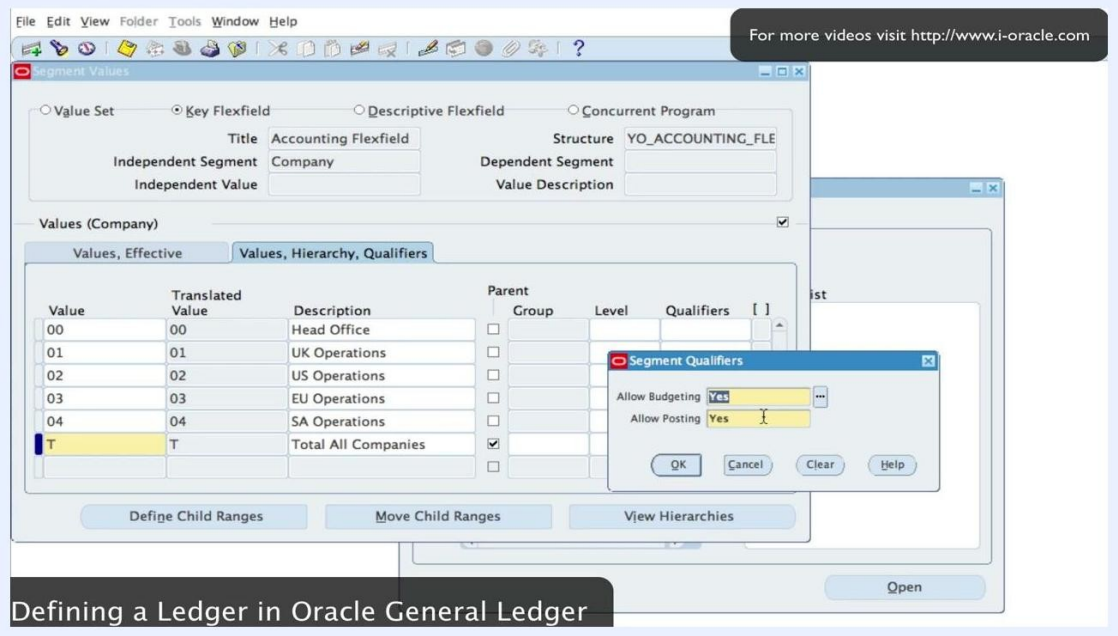
1. Click the **Values, Hierarchy, Qualifiers** tab.
2. In the row for value T, check the **Parent** box to designate it as a parent value.

This lets the T value act as a grouping or summary for all company values.

Step 24: Assign segment qualifiers to Total All Companies

1. In the **Qualifiers** column for the T value, click to open the **Segment Qualifiers** dialog.
2. Set **Allow Budgeting** to No.
3. Set **Allow Posting** to No.

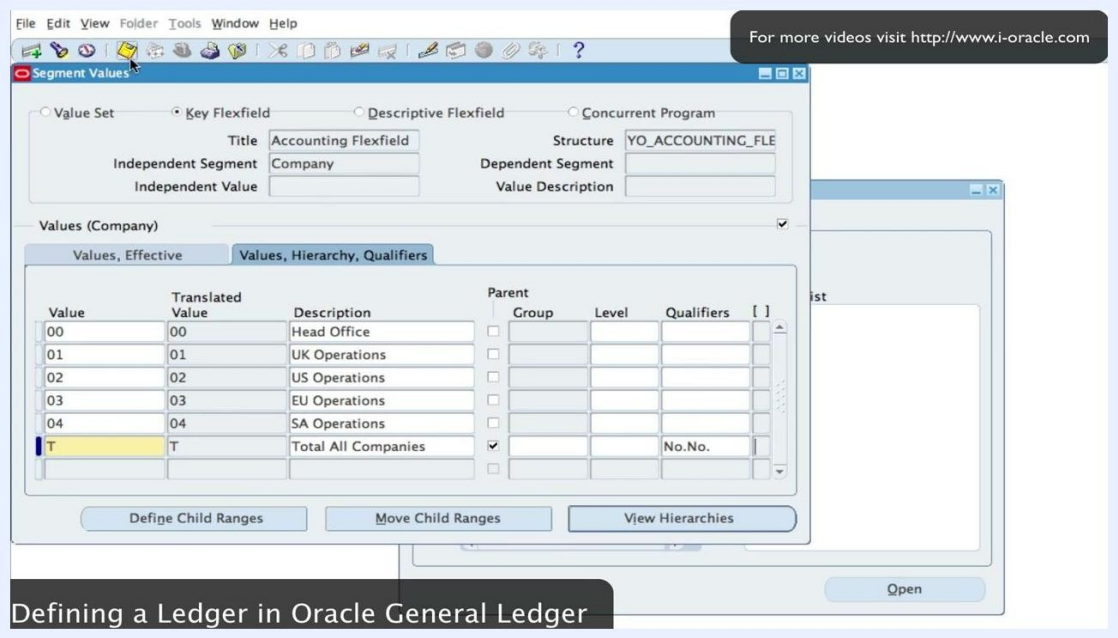
4. Click **OK** to save the qualifiers.



Segment Values window with the Segment Qualifiers dialog open for value T, showing Allow Budgeting and Allow Posting both set to No

Step 25: Save the Company segment values

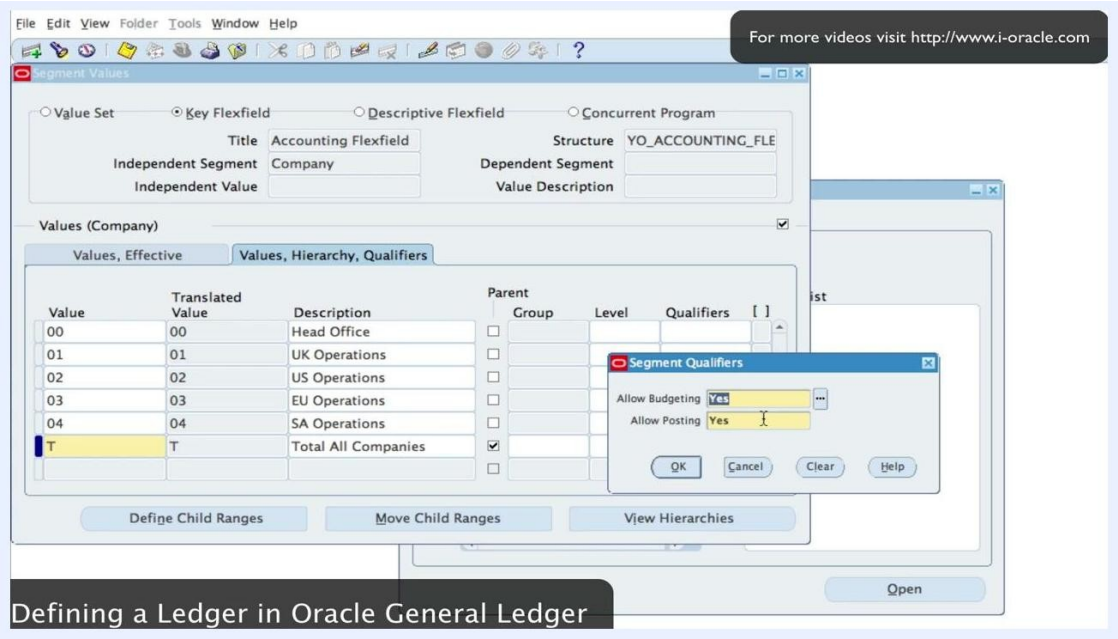
Click the Save icon (diskette) in the toolbar, or use the appropriate menu option, to save your entries. Confirm that the T value now appears as a parent with No.No. in the **Qualifiers** column.



Segment Values window showing value T as a parent with qualifiers No.No. for Total All Companies

Step 26: Begin entering values for the Department segment

Switch to the Department segment by selecting it in the Segment Values window. In the **Values (Department)** section, begin entering department values as needed. For example, enter Value 0 and fill in the remaining details as required.



Segment Values window for the Department segment, ready for new department values

Step 27: Open the Account segment values

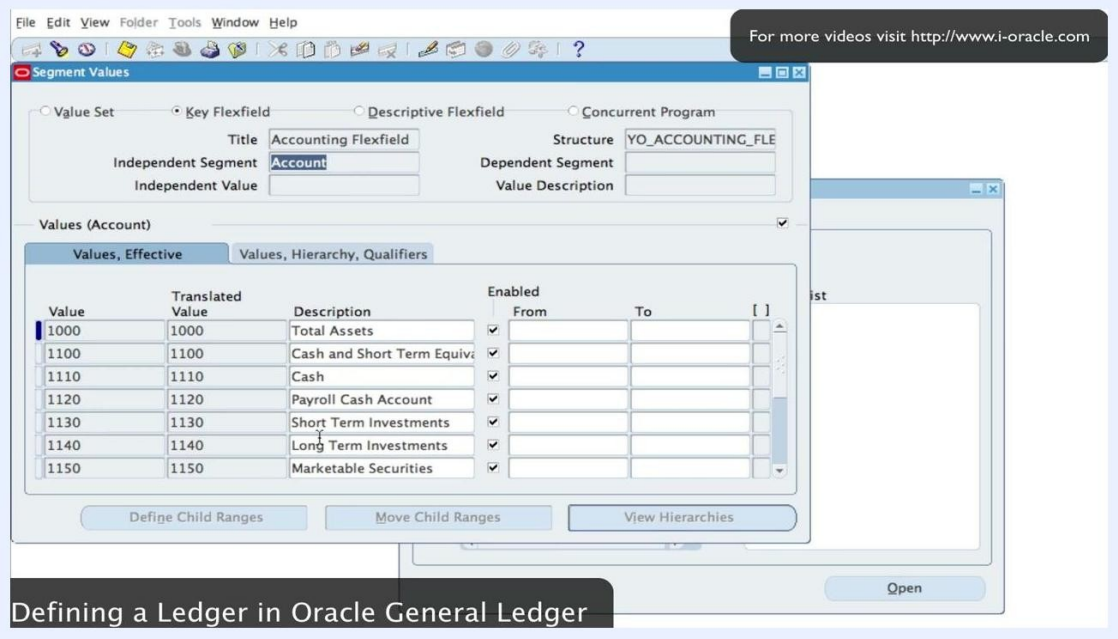
Open the **Segment Values** window in Oracle General Ledger. The window shows options for Value Set, Key Flexfield, Descriptive Flexfield, and Concurrent Program. Check the following:

- The **Title** is Accounting Flexfield.
- The **Structure** is YO_ACCOUNTING_FLEX.
- The **Independent Segment** is Account.
- The **Values, Effective** tab is selected.

The **Values (Account)** section lists existing account values, translated values, descriptions, and enabled status. Example values include:

- 1000: Total Assets
- 1100: Cash and Short Term Equiv
- 1110: Cash
- 1120: Payroll Cash Account

- 1130: Short Term Investments
- 1140: Long Term Investments
- 1150: Marketable Securities



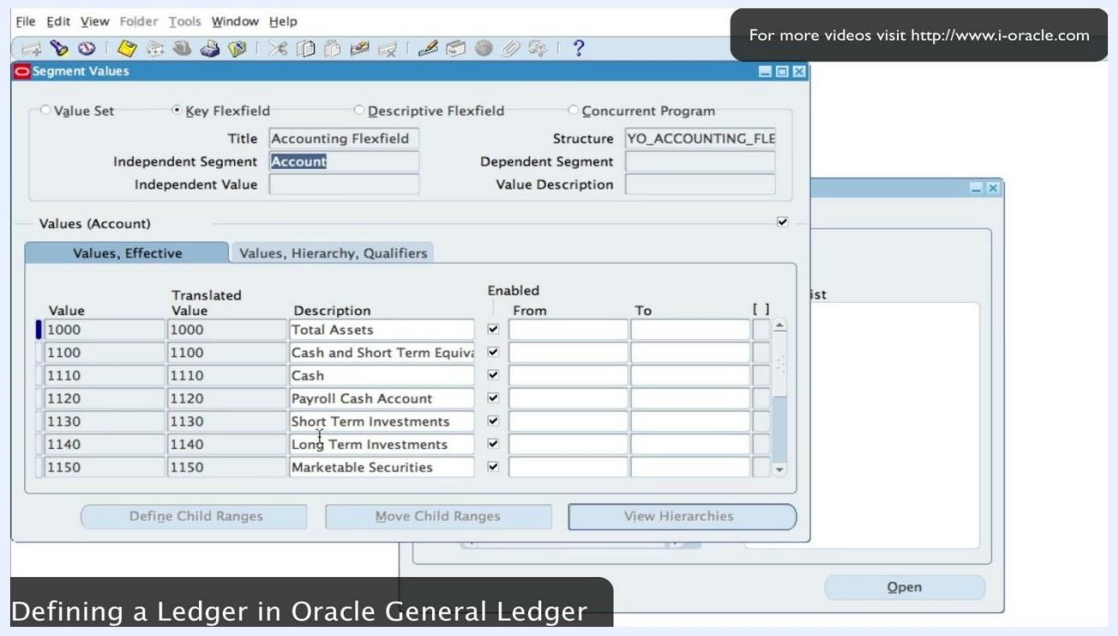
Segment Values window showing account values and their descriptions

Step 28: Enter new account values

Add the following rows in the **Values (Account)** section:

- **Value** 3310, **Translated Value** 3310, **Description** Retained Earnings, **Enabled** checked
- **Value** 3315, **Translated Value** 3315, **Description** Other Comprehensive Income, **Enabled** checked

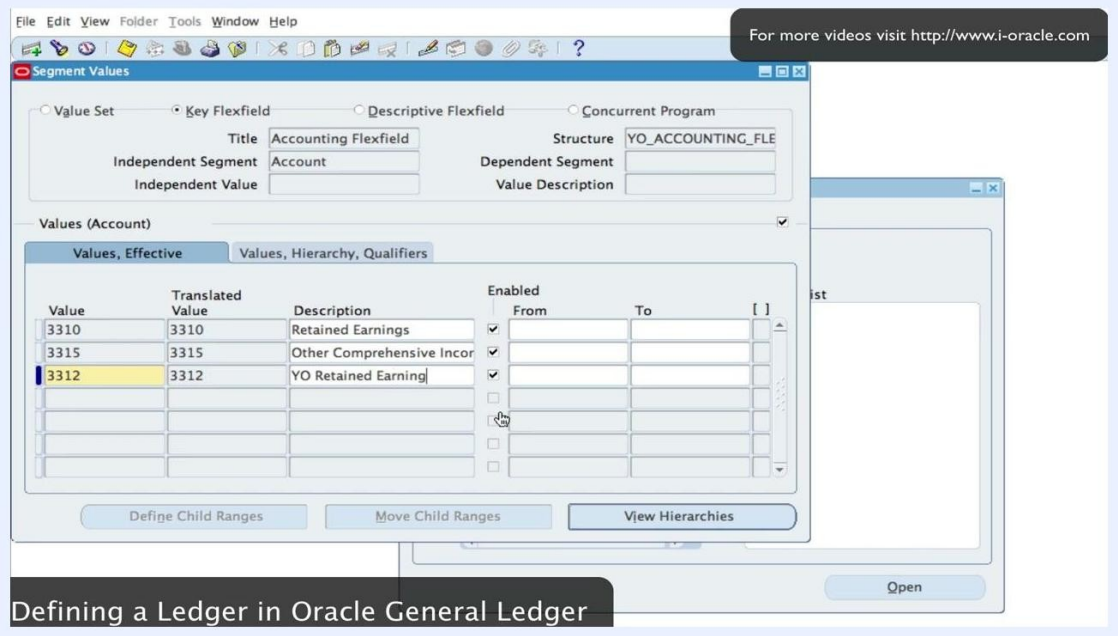
Leave additional rows blank for further entries.



Account values 3310 and 3315 entered in the Values (Account) section

Step 29: Add another account value

Enter **Value** 3312, **Translated Value** 3312, and **Description** YO Retained Earnings. Make sure the **Enabled** checkbox is selected for this new value.

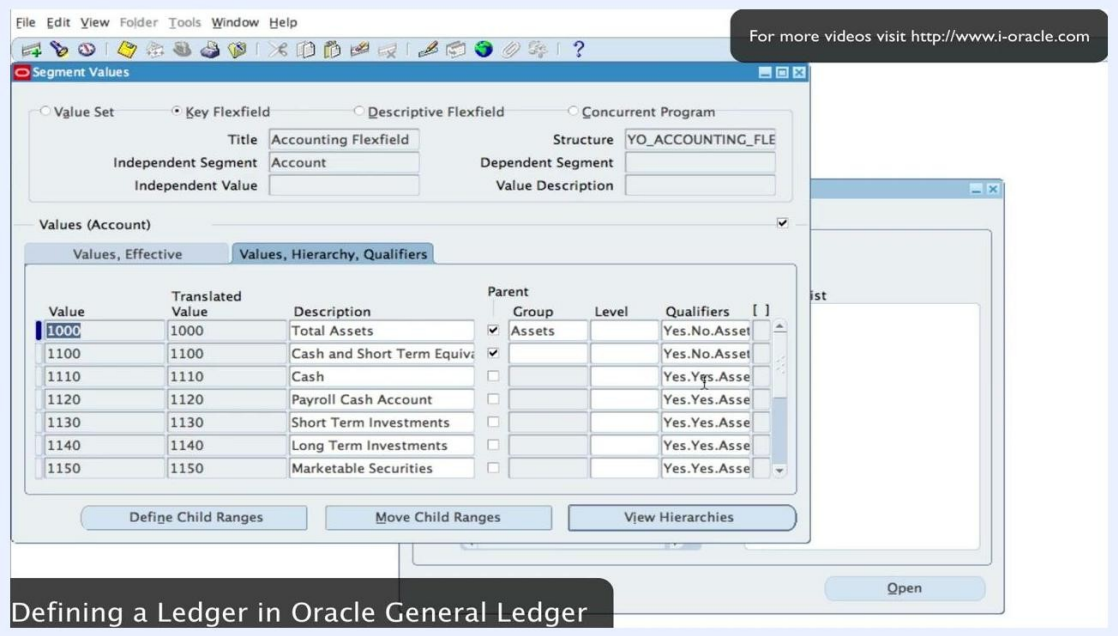


Account value 3312 (YO Retained Earnings) added and enabled

Step 30: Set the segment qualifiers and account type

Open the **Segment Qualifiers** dialog for the newly added value (3312). The dialog shows these settings:

- **Allow Budgeting:** Yes
- **Allow Posting:** Yes
- **Account Type:** Expense (this needs to change)
- **Reconcile:** No
- **Third Party Control Account:** No



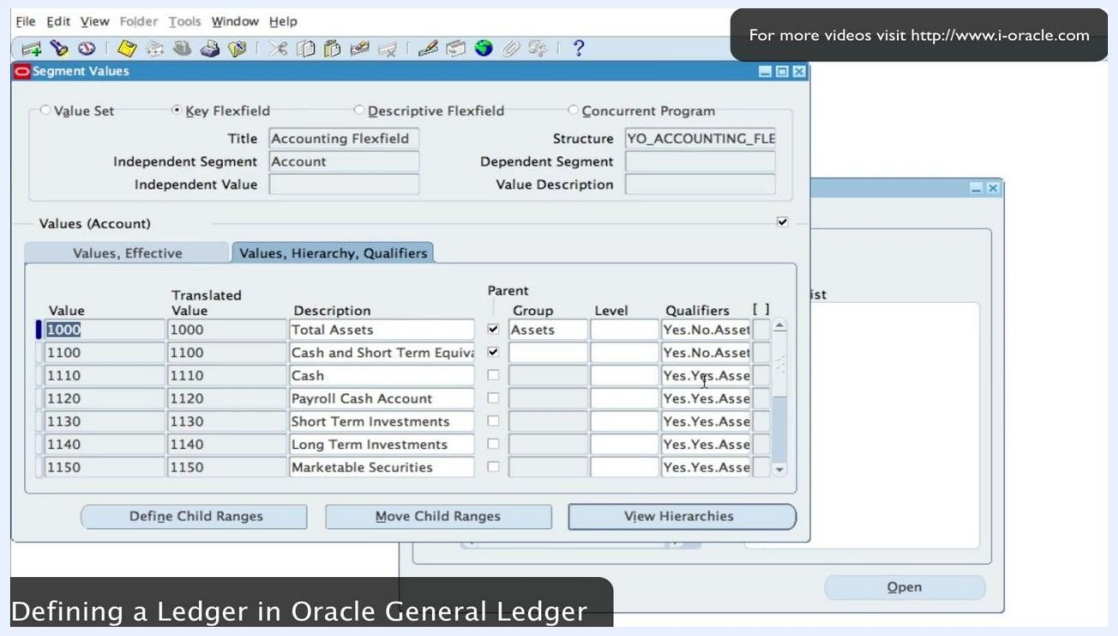
Segment Qualifiers dialog open for value 3312, showing the qualifier settings

Now change the account type. In the **Account Type** selection dialog, choose Ownership/Stockholder's Equity, then click **OK** to confirm.

Step 31: Search for revenue accounts

1. Open the **Find Values** dialog.
2. Enter your search range in the **From** and **To** fields. The example uses From 4000 and To 3310.
3. Leave the hierarchy fields (Parent, Group, Level) blank.

4. Click **Find** to search for revenue accounts within the range.



Find Values dialog with the search criteria for revenue accounts

You can now add account values, set segment qualifiers, and search for specific account types in Oracle General Ledger.

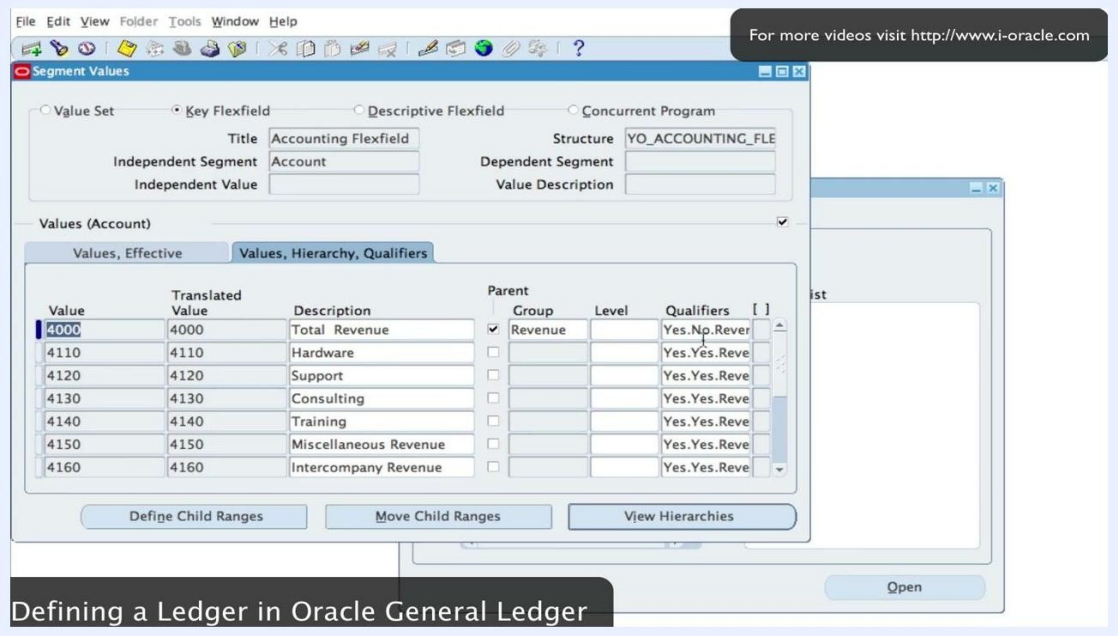
Step 32: Review revenue account values and qualifiers

1. In the Segment Values window, make sure the **Key Flexfield** and **Accounting Flexfield** options are selected.
2. Confirm that the Structure is YO_ACCOUNTING_FLEX and the Independent Segment is Account.
3. Switch to the **Values, Hierarchy, Qualifiers** tab.
4. Review the revenue account values and their details, listed below.
5. Use the scroll bar to view additional values if necessary.

The revenue values and their qualifiers are:

- 4000: Total Revenue, Parent: Revenue, Qualifiers: Yes, No, Revenue
- 4110: Hardware, Qualifiers: Yes, Yes, Revenue
- 4120: Support, Qualifiers: Yes, Yes, Revenue
- 4130: Consulting, Qualifiers: Yes, Yes, Revenue
- 4140: Training, Qualifiers: Yes, Yes, Revenue
- 4150: Miscellaneous Revenue, Qualifiers: Yes, Yes, Revenue

- 4160: Intercompany Revenue, Qualifiers: Yes, Yes, Revenue



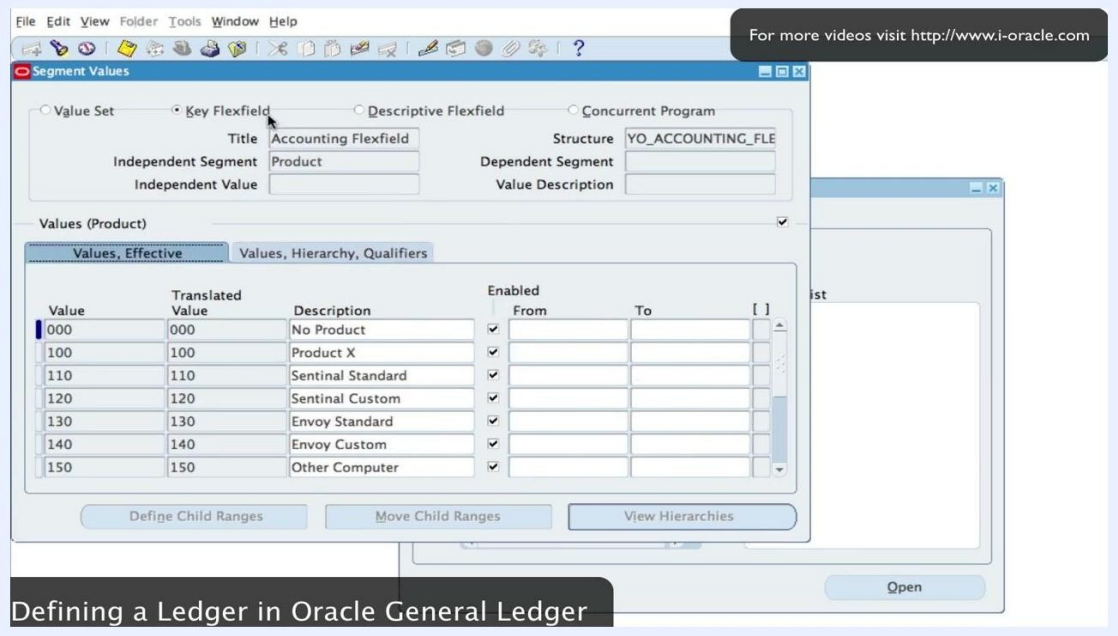
Segment Values window showing revenue account values and their qualifiers

Step 33: Review the Product segment values

In the Segment Values window, change the **Independent Segment** to Product. Review the list under **Values (Product)**:

- 000: No Product, Enabled: checked
- 100: Product X, Enabled: checked
- 110: Sentinal Standard, Enabled: checked
- 120: Sentinal Custom, Enabled: checked
- 130: Envoy Standard, Enabled: checked
- 140: Envoy Custom, Enabled: checked
- 150: Other Computer, Enabled: checked

Make sure all relevant product values are enabled.



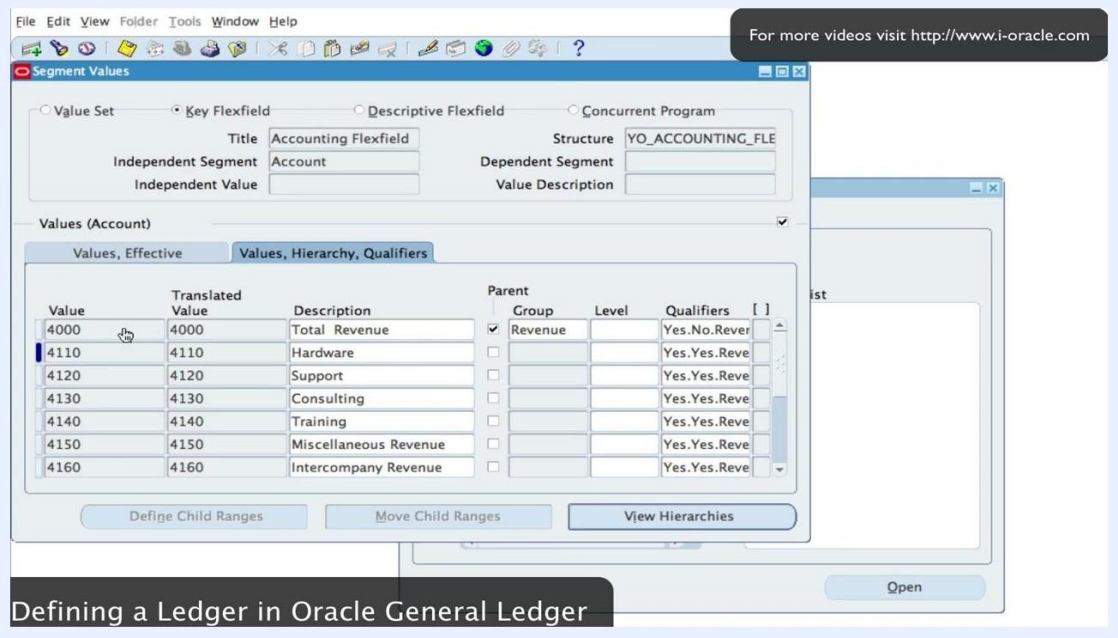
Segment Values window showing the Product segment values

Step 34: Review the Spare segment values

In the Segment Values window, change the **Independent Segment** to Spare. Review the list under **Values (Spare)**:

- 0000: N/A, Enabled: checked
- T: All, Enabled: checked

Additional rows are available for further entries.



Segment Values window showing the Spare segment values

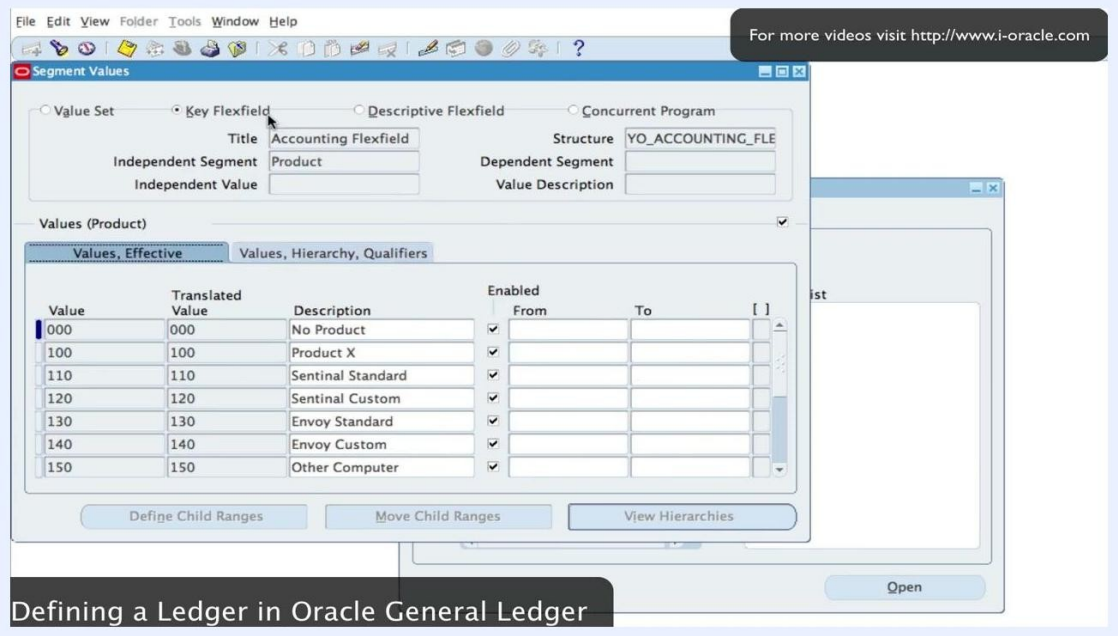
Review calendars and currencies

Step 35: Open the calendar period types

Open the **Navigator – General Ledger, Vision Operations (USA)** window. In the **Functions** tab, expand this menu path:

Setup > **Financials** > **Flexfields, Calendars, Ledger Sets, Access Sets, and Document Sequences**

Highlight **Setup** under **Financials** to access further configuration options.

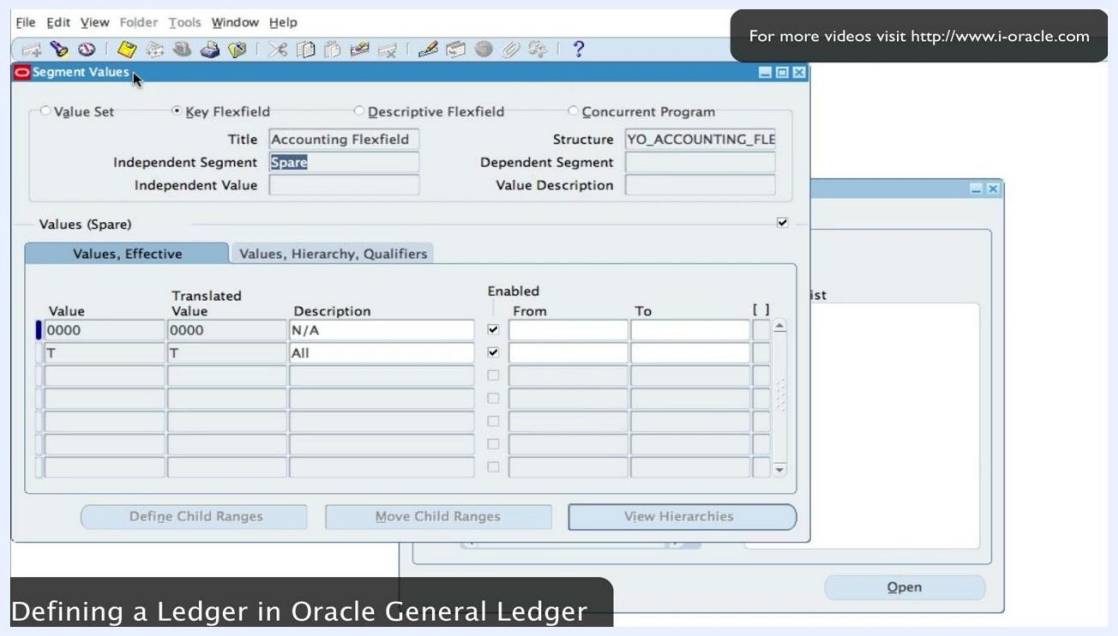


Navigator window with Setup > Financials expanded

Next, expand **Setup** > **Financials** > **Calendars** > **Types** and open the **Period Types** window. The window has these columns:

- Period Type
- Periods per Year
- Year Type
- Description

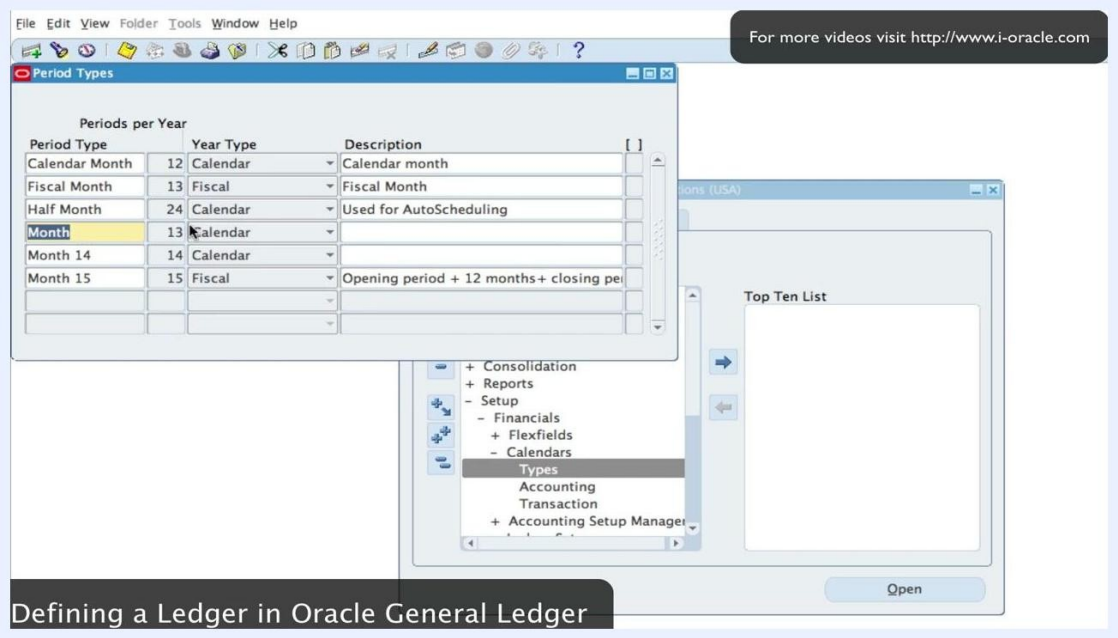
Use the menu bar to access the **Edit** and **View** menus for additional options. Prepare to search for period types, such as month.



Period Types window open and ready to search for period types

Step 36: Search for period types

In the Period Types window, open the **View** menu and select **Find...** to start a search. The window displays available period types, including Calendar Month, Fiscal Month, Half Month, Month, Month 14, and Month 15.



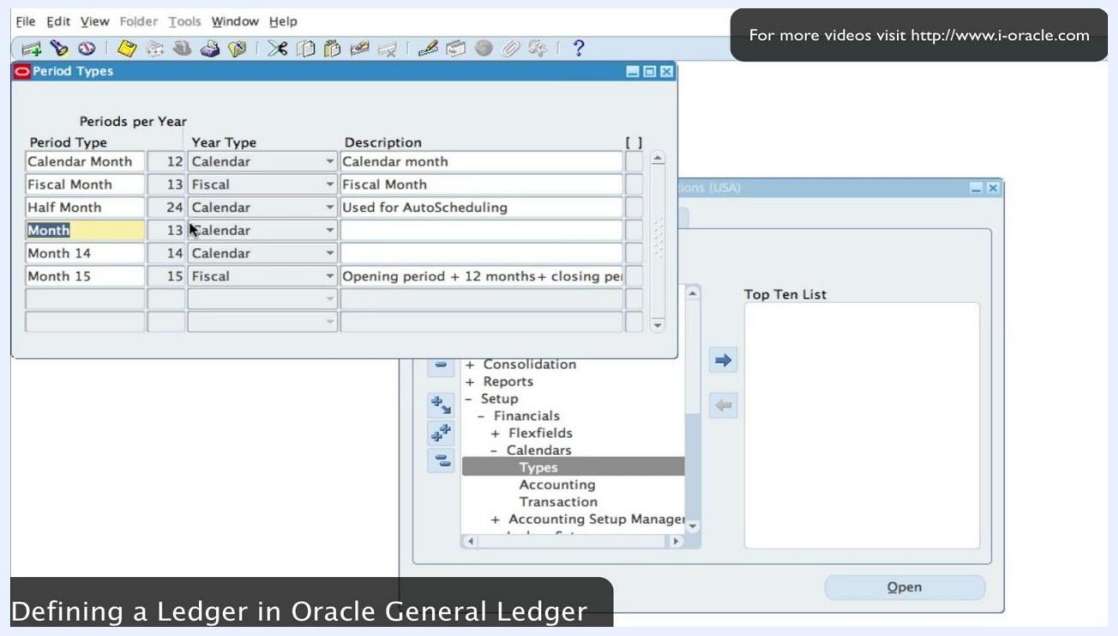
Period Types window with the View > Find menu open

Step 37: Select the 13-period calendar month for the ledger

In the Period Types window, locate the row with these values:

- **Period Type:** Month
- **Periods per Year:** 13
- **Year Type:** Calendar
- **Description:** blank, or as needed

Highlight this row to select it for use in the ledger setup.



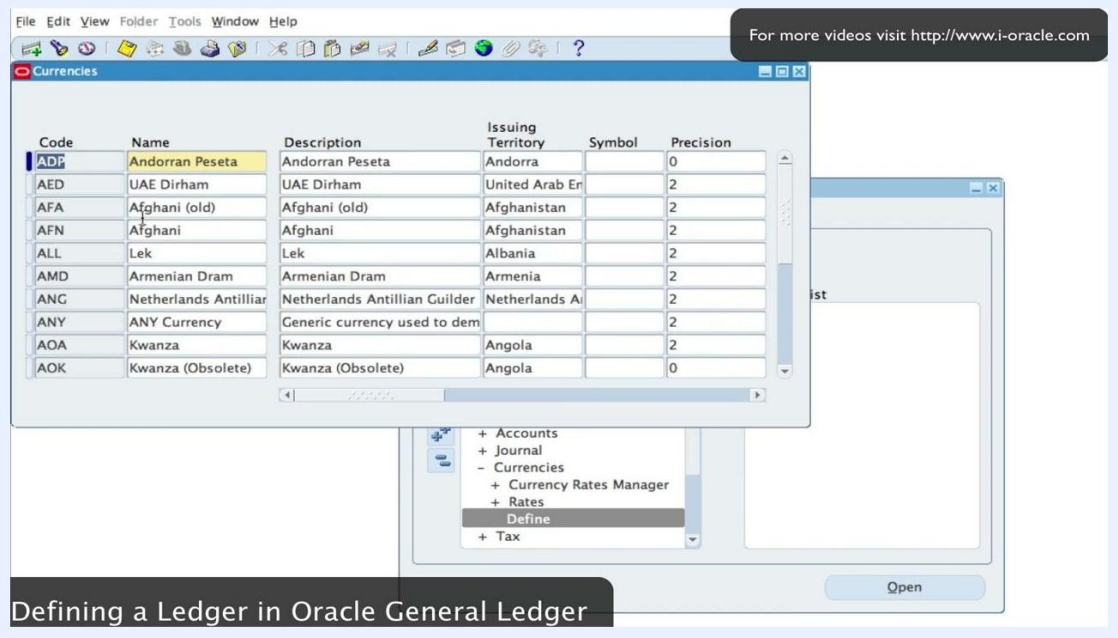
Period Types window with the 13-period calendar month row selected

Step 38: Review the period types and confirm your calendar selection

Review the available period types for your ledger setup. The window shows these details:

- Calendar Month: 12 periods/year, Year Type: Calendar, Description: Calendar month
- Fiscal Month: 13 periods/year, Year Type: Fiscal, Description: Fiscal Month
- Half Month: 24 periods/year, Year Type: Calendar, Description: Used for AutoScheduling
- Month: 13 periods/year, Year Type: Calendar
- Month 14: 14 periods/year, Year Type: Calendar
- Month 15: 15 periods/year, Year Type: Fiscal, Description: Opening period + 12 months + closing period

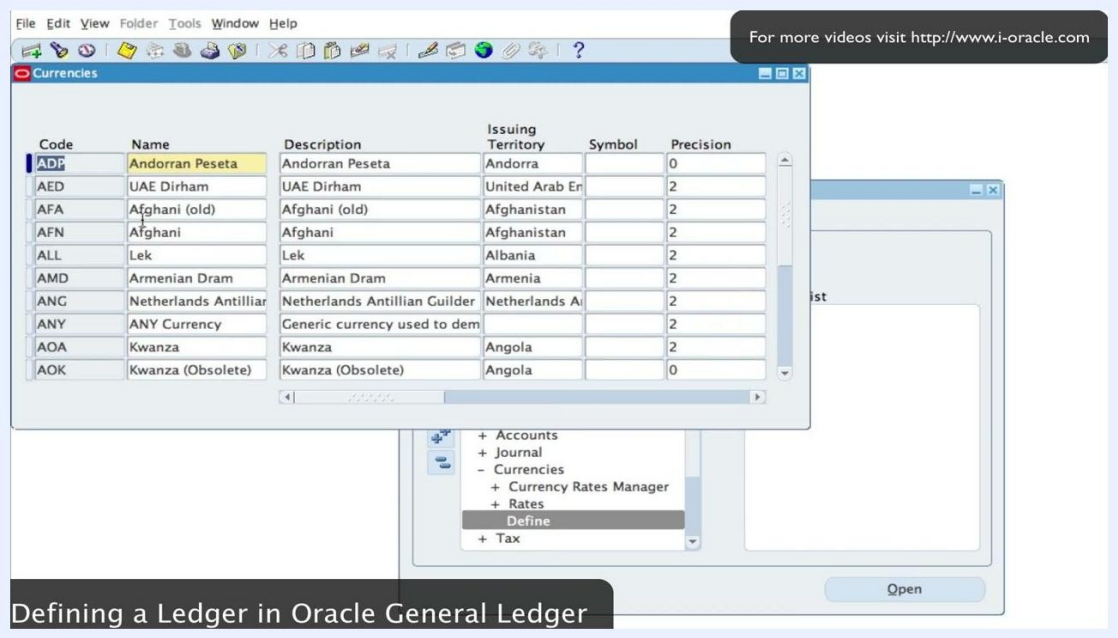
Make sure the correct period type is selected for your ledger.



Period Types window showing the period types with their periods per year, year type, and descriptions

Step 39: Open and review the currency definitions

In the **Navigator – General Ledger, Vision Operations (USA)** window, expand **Setup**. Under **Setup**, expand **Financials** and then **Currencies**. Select **Define** under **Currencies** to view or modify currency definitions.



Navigator window with Setup > Financials > Currencies > Define selected

In the **Currencies** window, review the list of all currencies defined in the system. Each currency shows these columns:

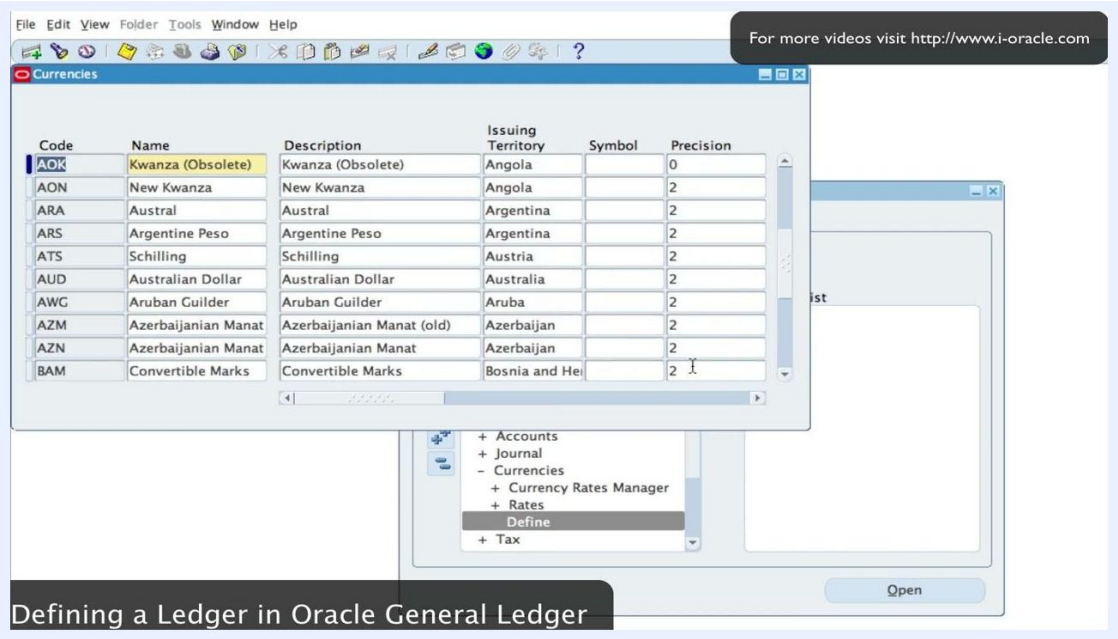
- Code (for example, ADP, AED, AFA, AFN, ALL, AMD, ANG, ANY, AOA, AOK)
- Name (for example, Andorran Peseta, UAE Dirham, Afghani (old), Afghani, Lek, Armenian Dram, Netherlands Antillian Guilder, ANY Currency, Kwanza, Kwanza (Obsolete))
- Description
- Issuing Territory
- Symbol
- Precision

Use the scroll bar to view additional currencies. Further entries include:

- AOK: Kwanza (Obsolete), Angola, Precision: 0
- AON: New Kwanza, Angola, Precision: 2
- ARA: Austral, Argentina, Precision: 2

- ARS: Argentine Peso, Argentina, Precision: 2
- ATS: Schilling, Austria, Precision: 2
- AUD: Australian Dollar, Australia, Precision: 2
- AWG: Aruban Guilder, Aruba, Precision: 2
- AZM: Azerbaijanian Manat (old), Azerbaijan, Precision: 2
- AZN: Azerbaijanian Manat, Azerbaijan, Precision: 2
- BAM: Convertible Marks, Bosnia and Herzegovina, Precision: 2

Confirm that all the currencies you need are present and correctly defined.



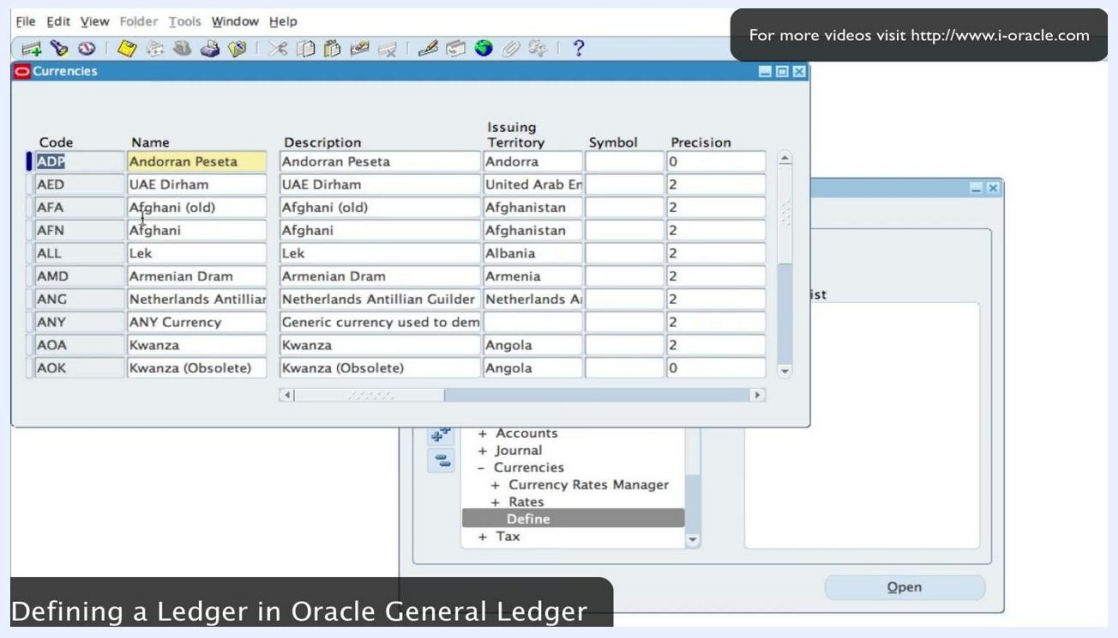
Currencies window showing additional currency entries and their details

Step 40: Review currency effective dates and enabled status

In the Currencies window, review the **Effective Dates** section for each currency. Check the **From** and **To** dates to determine each currency's validity period. Verify that the **Enabled** checkbox is selected for active currencies. Example entries:

- AOK: Kwanza (Obsolete), To: 12-AUG-1994, Enabled: unchecked
- AON: New Kwanza, Enabled: checked
- ARS: Argentine Peso, Enabled: checked
- ATS: Schilling, To: JAN-1999, Enabled: checked
- AZM: Azerbaijanian Manat (old), To: 31-DEC-2006, Enabled: unchecked

Make sure only valid, current currencies are enabled for use.



Currencies window showing the effective dates and enabled status for each currency

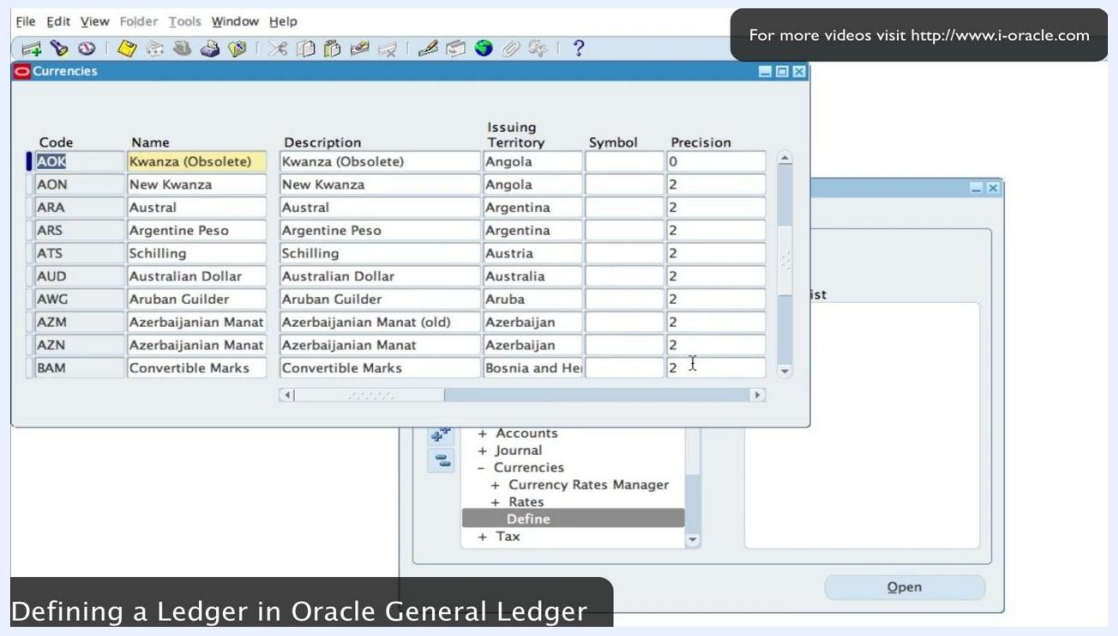
Prepare to define the ledger

Step 41: Gather the four C's before you create a ledger in Oracle EBS

Return to the **Navigator – General Ledger, Vision Operations (USA)** window. The main navigation menu is displayed with **Journals** highlighted. Make sure you have this information ready:

- Chart of accounts structure
- Currency, as reviewed in the previous steps

- Calendar, as reviewed in the previous steps

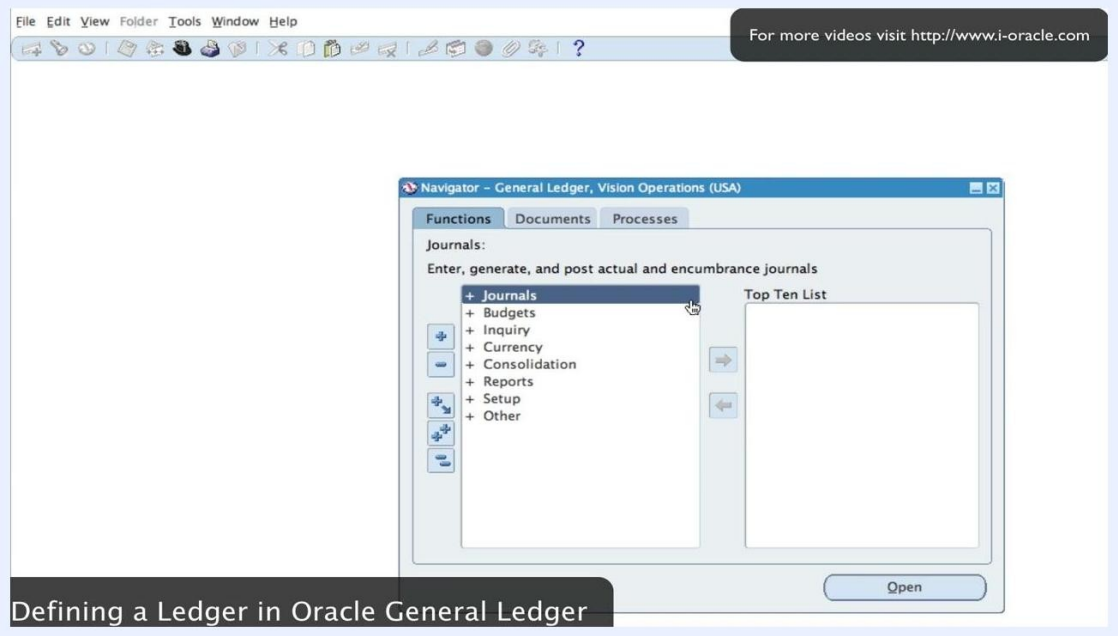


Navigator window with Journals highlighted, ready to proceed to ledger definition

Defining a ledger in Oracle General Ledger requires four key components, often called the "four C's":

- Chart of Accounts (structure)
- Currency
- Calendar
- Accounting Convention (recently added as the fourth C)

Gather and review all four components before you proceed.



Navigator window with Journals highlighted, referencing the four C's required for ledger definition

Summary

You built the accounting flexfield structure and its segments, created and assigned a value set, and assigned flexfield qualifiers. You enabled dynamic inserts, froze and compiled the flexfield, and entered segment values for the Company, Department, Account, Product, and Spare segments. You also reviewed calendar period types and currencies. You now have the four C's in hand to create a ledger in Oracle EBS.

What's next

With the chart of accounts structure, currency, calendar, and accounting convention ready, you can move on to defining the ledger itself in Oracle General Ledger.