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Contents

DOCUMENT SCOPE

The Scope of this document is to explain the importance of multiple balancing segments and what business problems they solve. The document also attempts to give orientations in decision making and best practices to follow.

BALANCING SEGMENTS

A balancing segment ensures that journal entries are balanced (debits equal credits) for specific segment values, usually representing legal entities or companies.

In EBS R12, there is a single balancing segment. In Fusion, the Primary balancing segment is mandatory. However, Fusion introduces a further 2 balancing segments optionally: secondary and tertiary.

Before understanding what they are and how they behave, it is important to understand what gap they bridge.

The R12 Balancing Problem: Why One Balancing Segment Was Never Enough

The Core Problem

Oracle E-Business Suite R12 was built on a fundamental architectural constraint: **only one balancing segment** is supported in the General Ledger. This means the system can only enforce that debits equal credits at a single dimension — typically the Legal Entity or Company. Everything else — funds, branches, properties, projects, programs, cost centers — exists in the GL as reporting dimensions only, with no system-enforced balancing.

This was acceptable in a simpler business world. But modern organizations are complex. A bank has hundreds of branches, each a profit center with its own assets and liabilities. A

government entity manages dozens of funds, each with strict legal accountability. A construction company runs multiple projects simultaneously, each with its own investors and lenders. A nonprofit manages restricted and unrestricted funds that must never be commingled.

In all of these cases, the business does not just need a P&L by dimension — it needs a **fully balanced, auditable set of financial statements** at that dimension. A P&L without a balance sheet is incomplete. A balance sheet that does not balance is meaningless. And a financial statement built from spreadsheets outside the GL is a liability — for auditors, for regulators, and for management.

R12 could not deliver this natively. So organizations were forced to choose between bad options.

The Three Painful Workarounds in R12

1. Operating Unit Explosion

The most common workaround was to create a separate Operating Unit for every entity that needed its own financial statements — one OU per branch, one OU per property, one OU per fund. This technically solved the balancing problem because each OU had its own set of books. But it created an administrative nightmare. A bank with 200 branches needed 200 Operating Units. A real estate company with 150 properties maintained 150 OUs. Each OU required its own setup, its own period close, its own reporting, and its own maintenance. Implementation costs ballooned. Upgrades became complex. Consolidated reporting required Hyperion or a custom consolidation layer on top. What started as a solution became its own problem.

2. Manual Inter-Unit Journal Entries

For organizations that could not justify separate OUs for every entity, the alternative was to manually create due-to and due-from journal entries at period end to force balance at the required dimension. An accountant would run a trial balance by fund or by branch, identify where the books were out of balance, and manually create offsetting entries using interunit clearing accounts. This was time-consuming, error-prone, and entirely dependent on individual knowledge. When staff turned over, the logic lived in their heads — not in the

system. Auditors flagged these manual entries. Reconciliation consumed days of finance team time every close cycle. And because the entries were manual, there was always a risk that someone would forget, miscalculate, or post to the wrong period.

3. Shadow Accounting in Spreadsheets and External Systems

The third workaround was to abandon the GL entirely for sub-entity reporting and maintain parallel books in spreadsheets, Hyperion, or specialized systems like Deltek, Cobra, or maritime ERPs. The GL held aggregated summary data while the real accounting happened outside the system. This created a persistent and dangerous gap between the system of record and the actual financial statements being presented to management, boards, investors, and regulators. Reconciling the two was a recurring burden. When they disagreed — as they inevitably did — finance teams spent days or weeks finding and resolving the difference. And when auditors asked for support, the answer was a spreadsheet, not a system report — a response that increasingly fails to satisfy modern audit standards.

Why This Matters Now

Several forces are converging to make R12's single balancing segment constraint more painful than ever:

Regulatory Pressure:

Regulatory pressure is intensifying. GASB, IFRS 17, FERC, DCAA, CMS — regulators across every industry are demanding more granular, auditable financial data, faster. Organizations that produce their regulatory submissions from spreadsheets are increasingly exposed.

Investor and Lender Expectations:

Investor and lender expectations have risen. Private equity owners want property-level or fund-level financials. Project lenders require contract-level balance sheets. JV partners demand auditable financials at the asset level. None of these can be produced natively from R12 without workarounds.

Finance Transformation Programs:

Finance transformation programs are eliminating spreadsheets and shadow systems. As organizations move to continuous close and real-time reporting, the gap between what the GL can produce and what the business needs becomes impossible to paper over.

Audit Standards:

Audit standards are evolving. Auditors increasingly require that financial statements be traceable to system-generated entries, not manual journals or spreadsheet models. The R12 workarounds that passed audit in 2010 are under far greater scrutiny today.

The Oracle Fusion Answer

Oracle Fusion Cloud ERP solves this architectural limitation natively by introducing **secondary and tertiary balancing segments**. Instead of creating separate OUs, maintaining manual journals, or running shadow systems, organizations can designate up to three dimensions in their chart of accounts as balancing segments. The system automatically generates the intercompany and intracompany balancing lines needed to ensure every one of those dimensions carries a fully balanced set of financial statements — in real time, with a complete audit trail, and without any manual intervention.

The result is not just a technical improvement. It is a fundamental shift in what the GL can do — from a single-entity ledger that requires workarounds for everything else, to a **multi-dimensional financial platform** that natively supports the complexity of modern organizations.

Industry Problem Statement Table

Industry	Who Raises the Problem	The Problem Statement in R12
Government / Public Sector	CFO, Controller, Budget Officer, External Auditor	"We are legally required to account for each fund independently under GASB standards. In R12, we cannot enforce fund-level balancing in the GL. We create hundreds of manual due-to/due-from entries every period to force the funds to balance, and our auditors are flagging this as a control weakness."
Nonprofit / NGO	Controller, Board Treasurer, Donor Auditor	"Our donors and grant funders require auditable fund-level balance sheets showing their money is segregated and accounted for independently. We produce these from spreadsheets outside R12 because the GL cannot balance at the fund level. This creates audit risk and consumes weeks of staff time every year."
Higher Education	VP Finance, Controller, Research Compliance Officer	"We manage federal grants, state appropriations, tuition revenue, and endowments as separate funds. R12 forces us to either create a separate ledger per fund — which is unmanageable — or produce fund financials from manual spreadsheets. Neither approach satisfies our auditors or our federal oversight bodies."
Healthcare	CFO, Facility Controller, CMS Compliance Officer	"Each of our hospitals is a separate cost center but they sit under one legal entity. CMS requires us to report costs by facility. In R12, we either create a separate OU per hospital — which multiplies our admin burden — or we produce facility financials manually outside the GL. Our close takes 12 days because of inter-facility reconciliation."
Banking — Line of Business	CFO, Head of Regulatory Reporting, Chief Risk Officer	"Our regulators require us to report P&L and balance sheet by line of business — retail, commercial, wealth management. R12 cannot balance at the LOB level. We maintain a parallel Hyperion layer to produce LOB financials and reconcile it to the GL every month. The reconciliation alone takes 5 days and is our single biggest close bottleneck."
Banking — Branches	Regional Director, Branch Controller, Head of Retail Banking	"Each branch is a profit center. Branch managers are measured on branch P&L and branch balance sheet metrics including deposit base, loan book, and inter-branch funding position. In R12 we either create one OU per branch — we have 300 branches — or we maintain shadow branch accounting in spreadsheets. Neither is sustainable and neither gives us reliable, real-time branch financials."

Industry	Who Raises the Problem	The Problem Statement in R12
Insurance	CFO, Actuarial Finance Director, IFRS 17 Program Lead	"IFRS 17 requires us to account at the insurance contract group level. R12 has no concept of contract group balancing. Our actuarial and finance systems are completely disconnected. We produce IFRS 17 disclosures in spreadsheets and the reconciliation to the GL takes our team the entire first week of every close."
Airlines	VP Finance, Controller, Head of Revenue Accounting	"Our revenue accounting system tracks P&L by route and fleet type. R12 only holds summary entries at the legal entity level. We reconcile route P&L from our revenue system to the GL every month and the two rarely agree on the first pass. Route-level balance sheets simply do not exist in our GL."
Telecommunications	CFO, Segment Controller, Investor Relations Finance	"We have three reportable segments under IFRS 8 — mobile, broadband, and enterprise. R12 cannot produce segment-level balance sheets. We run HFM to produce our segment financials for investor reporting and the quarterly HFM-to-GL reconciliation is a major drain on the finance team."
Real Estate / Property Management	CFO, Asset Manager, Property Controller	"We manage 120 properties. Each property has its own investors, its own lender covenants, and its own management contract that requires monthly owner statements. In R12 we have 120 Operating Units. The administration is crushing — 120 separate period closes, 120 separate setups, 120 separate report runs. And when investors want a consolidated view, we have to pull everything into Excel."
Defense / Aerospace	Controller, Contracts Manager, DCAA Liaison	"DCAA requires us to demonstrate that costs are tracked and balanced at the contract level for CAS compliance. R12 tracks contract costs in Oracle Projects but the GL only balances at the legal entity level. We cannot produce a contract-level balance sheet from the GL. Our DCAA audits rely on PA reports and spreadsheet models that take weeks to prepare."
Utilities / Energy	CFO, Regulatory Affairs Director, Rate Case Manager	"FERC requires us to produce separate financial statements for our electric, gas, and water operations. In R12 we use account ranges and FSG custom reports to approximate this separation but the GL does not enforce balance at the regulated service level. Our rate case preparation involves weeks of manual cost studies because the system cannot produce a compliant regulated-service balance sheet."
Oil & Gas	CFO, JV Accounting Manager, Partner Relations	"We operate three joint ventures, each with multiple partners requiring quarterly auditable financials. In R12 we use the JV Accounting module but the GL balance sheet only exists at the legal entity level. Partner statements are produced manually from PA extracts and reconciled to the GL. We have a permanent team of 4 people whose primary job is JV reconciliation."

Industry	Who Raises the Problem	The Problem Statement in R12
Construction / EPC	CFO, Project Accountant, Lender Representative	"Our project finance lenders require monthly project-level balance sheets as a condition of our construction loans. In R12, project balance sheets exist in Oracle Projects but not in the GL. We produce lender reports from PA extracts, manually reconcile them to the GL, and the process takes a week every month. Two of our lenders have raised concerns about our reporting controls."
Engineering & Professional Services	Engagement Controller, Managing Partner, CFO	"Client profitability and WIP balances are tracked in Oracle Projects but the GL only shows aggregated firm-level data. Partners make compensation decisions based on practice-level P&Ls that come from Excel models, not from the GL. When clients dispute invoices, we cannot produce an auditable engagement-level balance sheet from the system."
Mining & Natural Resources	CFO, Site Controller, Royalty Accounting Manager	"Each mine site has its own royalty agreements, environmental rehabilitation liabilities, and streaming partner reporting requirements. In R12 we maintain separate ledgers per site. We have 8 sites and 8 ledgers. Consolidated reporting requires a manual consolidation process in Excel. Royalty calculations are done outside the system and checked back against the GL manually every quarter."
Hospitality / Hotels	CFO, Property Controller, Asset Manager	"Each hotel operates under a separate management contract and ownership structure. Owners require monthly property-level financial statements under USALI standards. In R12 we have one OU per hotel. With 60 properties, our period close involves 60 separate close processes. Owner statements are produced from manual extracts. When an owner disputes a management fee calculation, we cannot point them to a system report."
Shipping / Logistics	CFO, Vessel Controller, Charter Accounting Manager	"Each vessel is financed separately, chartered under its own agreements, and reported to its own set of investors. In R12 the GL knows nothing about vessel-level balances. We use a maritime ERP alongside R12 and manually reconcile the two every month. The reconciliation regularly produces differences that take days to resolve and we have had instances where we reported incorrect vessel P&L to investors."
Pharmaceuticals / Life Sciences	CFO, R&D Finance Manager, Clinical Trial Sponsor	"Our clinical trial sponsors contractually require quarterly trial-level financial statements showing how their funding has been spent and what the remaining trial balance is. In R12 trial costs are in the Projects module but the GL balance sheet is at the legal entity level. We produce sponsor reports from CTMS system extracts and manually reconcile them to the GL. We have 35 active trials and the reconciliation process is a permanent full-time job for two people."

Industry	Who Raises the Problem	The Problem Statement in R12
Manufacturing	Plant Controller, CFO, Intercompany Accounting Manager	"We have 15 manufacturing plants across 3 countries under one legal entity per country. Each plant is a profit center and plant controllers need monthly plant-level balance sheets for working capital management and capex accountability. In R12 we have one OU per plant. Inter-plant transfers generate intercompany invoices that flood our AP and AR modules with transactions that exist purely to force balance. We process over 2,000 intercompany invoices per month that would not exist if the system could balance at the plant level natively."
Agriculture / Agribusiness	CFO, Estate Manager, Cooperative Finance Director	"We manage 25 farming estates and report to a cooperative of member farmers who each own a share of different estates. In R12 we have 25 OUs. Cooperative member reporting is done entirely in Excel because the GL cannot produce estate-level balance sheets that roll up to member equity positions. Our cooperative auditors have repeatedly flagged the spreadsheet-based member reporting as a material weakness."

Work Around in R12 and Corresponding Solution in Fusion with KPIs

Refer to the Interactive HTML to explore the Use Cases.

Cross-Industry KPI Benchmark Summary

CONFIGURATION STEPS

Oracle Fusion GL — Chart of Accounts & Ledger Configuration Steps

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Step 1 — Plan Your Chart of Accounts

Before any configuration, clearly distinguish between what drives **balancing** and what drives **reporting**. These are fundamentally different architectural decisions that must be resolved before a single segment is created.

A. Balancing Requirements

Identify every dimension that must produce an independently balanced set of financial statements where debits equal credits. Each becomes a candidate for Primary, Secondary, or Tertiary Balancing Segment. Oracle Fusion supports up to three balancing segments. Getting this right at the planning stage is critical — once the Chart of Accounts is assigned to a ledger and journal entries exist, balancing segment designations cannot be changed.

B. Reporting Requirements

Not every dimension needs to balance. Many exist purely to support financial analysis and reporting. The table below maps each reporting need to the correct Fusion architectural solution:

Reporting Need	What It Is	Fusion Solution
Financial Reporting	IFRS/GAAP financial statements, trial balance, account analysis	Financial Reporting Studio (FRS) / OTBI
Statutory Reporting	Local GAAP, country-specific tax and regulatory filings that differ from group accounting	Secondary Ledger (different CoA or accounting method)

Reporting Need	What It Is	Fusion Solution
Group / Consolidation Reporting	Parent entity requires a different CoA, different currency, or different accounting method	Secondary Ledger (different CoA) or Reporting Currency Ledger
Currency Reporting	Same transactions reported in an additional currency	Reporting Currency Ledger
Management Dimension	A segment needed for internal reporting but not balancing	Management Segment designation on CoA
Hierarchical Rollup Reporting	Aggregating segment values into reporting trees	Segment Value Hierarchies / Tree structures

Two architectural objects are frequently confused at this stage and it is important to distinguish them clearly:

A **Secondary Ledger** captures the same transactions as the primary ledger but under a different Chart of Accounts and/or a different accounting method. It is used for statutory reporting where local GAAP differs from group GAAP, or where a different CoA structure is required for regulatory submissions.

A **Reporting Currency Ledger** uses the same CoA and the same accounting method as the primary ledger but converts balances into an additional currency. It is not a full secondary ledger and should not be used for statutory or structural reporting differences — only for currency translation purposes.

Step 2 — Design and Configure the Chart of Accounts Structure

Define the segment structure of the Accounting Flexfield. Key decisions at this stage include the number of segments, the order of segments, the length and format of each segment, and which segments will carry system labels. A Fusion best practice is to place the Primary Balancing Segment first in the segment order. The Natural Account segment and at minimum a Cost Center segment should also be defined at this stage. If intercompany transactions exist across legal entities, an Intercompany segment should be included to enable trading partner tracking at the transaction level.

Step 3 — Configure the Value Sets

For each segment, define the Value Set that controls which values are valid. Decisions include the Value Set type — Independent, Dependent, or Table-validated — the format, length, and whether segment-level security rules are required to restrict data access by user or role. Once Value Sets are defined, populate them with the segment values that will be used in accounting.

Step 4 — Assign Segment Labels

Segment Labels in Oracle Fusion are the equivalent of Flexfield Qualifiers in R12. They tell the system how to treat each segment — whether it drives balancing, defines account type, supports intercompany tracking, or serves as the management reporting dimension. The following labels are available:

Label	Purpose
Primary Balancing Segment	Mandatory. One segment only. Drives legal entity balancing.
Secondary Balancing Segment	Optional. One segment only. Drives secondary-level auto-balancing.
Tertiary Balancing Segment	Optional. One segment only. Drives tertiary-level auto-balancing.
Natural Account Segment	Mandatory. One segment only. Drives account type classification.
Cost Center Segment	Optional but strongly recommended. Used for management reporting and allocations.
Intercompany Segment	Optional. Required for intercompany trading partner tracking at transaction level.

Label	Purpose
Management Segment	Optional. One segment only. Used for management reporting — does not drive balancing.

Step 5 — Deploy the Accounting Flexfield

Once the structure and labels are configured, the Accounting Flexfield must be deployed to make it active and available for ledger assignment. This step compiles the flexfield and has no direct equivalent in R12. It is performed via Setup and Maintenance under Manage Chart of Accounts Structures. A common implementation error is completing the CoA configuration but failing to deploy before proceeding to ledger setup, which causes errors downstream and requires rework.

Step 6 — Flatten the Accounting Flexfield

After deployment, the Accounting Flexfield must be flattened. Flattening generates the denormalized table structure that Oracle Fusion reporting tools — including OTBI, Smart View, and Financial Reporting Studio — use to query segment combinations efficiently. Flattening must be performed after initial deployment and must also be re-run after any subsequent changes to segment values or segment value hierarchies. Failing to re-flatten after hierarchy changes is a common post-go-live operational issue that results in reporting tools showing stale or incomplete hierarchy data.

Step 7 — Create and Configure the Primary Ledger

Once the Chart of Accounts is deployed, create the Primary Ledger and complete its configuration:

- Assign the Chart of Accounts

- Assign the Accounting Calendar

- Assign the Ledger Currency

- Assign the Subledger Accounting (SLA) method

- Assign Legal Entities to Primary Balancing Segment values

- Configure Accounting Options including journal approval, suspense accounts, and rounding rules

The assignment of Legal Entities to Primary Balancing Segment values is the mechanism by which Fusion knows which company or entity a transaction belongs to. This must be completed before any transactions can be processed.

Step 8 — Configure Intracompany Balancing Rules

If Secondary or Tertiary Balancing Segments have been designated, intracompany balancing rules must be configured before the system can automatically generate balancing lines. These rules define the Due-To and Due-From accounts the system will use when a journal entry crosses multiple values of a balancing segment. Rules can be configured at the Ledger level or the Legal Entity level. Without this configuration, journals that span multiple balancing segment values will error or fail to post, making this a blocking dependency for any organization implementing multi-level balancing.

Step 9 — Configure Secondary Ledgers and Reporting Currency Ledgers

Based on the reporting requirements identified in Step 1, create any Secondary Ledgers or Reporting Currency Ledgers required:

For **Secondary Ledgers**, define the target Chart of Accounts, the accounting method, and the journal conversion level — Subledger, Journal, or Balance — which controls how granularly transactions are replicated from the primary ledger into the secondary ledger.

For **Reporting Currency Ledgers**, define the target currency and the conversion rules that will be applied to translate primary ledger balances.

Both ledger types must be linked to the Primary Ledger during setup and their conversion options must be fully configured before period close activities begin.

SCREENSHOTS

Use Case Scenario - Bank

We will use the Baking Industry as a Use Case. Note that Banks need to close their books daily. Each Bank Branch functions independently, meaning that each branch should be able to produce its own financial statements independently and daily.

In R12, that would translate to as many Operating Units / Legal Entities as Branches, in some cases going beyond 500.

Chart of Accounts

In this Use Case:

Company: (Compagnie) represents that Company Segment and is the primary balancing segment.

Province: (Province) is the administrative territory of the country. It drives statutory reporting.

Agencies: (Agence) are the bank branches.

Mapping

Company is the primary balancing segment.

Agency is the secondary balancing segment as the company the bank needs to be able to balance its books and generate financial statements by branches.

There are statutory reports that need to be generated by Provinces.

- The argument can therefore be made to map Province as a third balancing segment. There is, however, no need to balance entries by provinces and no need to generate full P&L or Balance Sheets.
- Another argument could be made about eliminating provinces from the CoA. Each branch is inherently physically present in a Province. As such, the provinces could have been managed as a geographical hierarchy grouping of Branches. If done so, FRWS reports could have been utilized to build such reports making use of provinces.
- In this case however, it is deemed that BIP reports are required to address the regulatory reporting needs, hence the additional segment in the CoA.

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Edit Key Flexfield Segment: XTMB_PROVINCE_VS ⓘ

Save | Save and Close | Cancel

Key Flexfield Code GL#

Structure Code XTMB

Segment Code XTMB_PROVINCE_VS

* API Name xtmbProvinceVs

* Name PROVINCE

Description PROVINCE

* Sequence Number 2

* Prompt PROVINCE

* Short Prompt Province

☑ Enabled

* Display Width 2

Range Type

Column Name SEGMENT2

* Default Value Set Code XTMB_PROVINCE_VS XTMB

◢ Segment Labels

Available Labels

Cost Center Segment
Intercompany Segment
Local Use Segment
Management Segment
Natural Account Segment
Primary Balancing Segment
Revaluation Gain/Loss Tracking Segment

Selected Labels

Second Balancing Segment

20°C
Partly cloudy

Q Search

ENG
UK

5:01 AM
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Edit Key Flexfield Segment: XTMB_AGENCES_VS ⓘ

Save | Save and Close | Cancel

Key Flexfield Code GL#

Structure Code XTMB

Segment Code XTMB_AGENCES_VS

* API Name xtmbAgencesVs

* Name XTMB_AGENCES_VS

Description XTMB_AGENCES_VS

* Sequence Number 3

* Prompt XTMB_AGENCES_VS

* Short Prompt Agences

☑ Enabled

* Display Width 3

Range Type

Column Name SEGMENT3

* Default Value Set Code XTMB_AGENCES_VS XTMB

◢ Segment Labels

Available Labels

Cost Center Segment
Intercompany Segment
Local Use Segment
Management Segment
Natural Account Segment
Primary Balancing Segment
Revaluation Gain/Loss Tracking Segment

Selected Labels

Third Balancing Segment

19°C
Partly cloudy

Q Search

ENG
UK

5:21 AM
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Note: In above Use Case (screenshot), both province and branch are labelled as Balancing Segments. Prior paragraph arguments for only Branch mapped as balancing along with company.

Inter (Intra) Company Rules

Configure the corresponding set of Intra / Intercompany rules

Best Practices for Multiple Balancing Segments

The single most important best practice is to treat the Chart of Accounts design as a one-way door — once the ledger is live and journal entries exist, balancing segment designations, segment order, and the overall flexfield structure cannot be changed without a reimplementation. This means the planning phase must be exhaustive and must involve finance, IT, compliance, and the business before a single segment is configured.

Start by separating balancing requirements from reporting requirements clearly: not every dimension that needs to appear on a report needs to balance, and over-designating balancing segments creates unnecessary complexity in intracompany rule maintenance and period-end processing.

A maximum of three balancing segments is enforced by Fusion, so the selection must be deliberate — reserve secondary and tertiary designations for dimensions that genuinely require an independently balanced balance sheet, not just a P&L. Place the Primary Balancing Segment first in the segment order, as this is a Fusion best practice that affects downstream processing and reporting. Once segments are designated, configure intracompany balancing rules completely before any transaction testing begins — this is a hard blocking dependency, and the most common cause of failed journal postings in early implementation cycles is missing or incomplete intracompany rules for cross-segment journals.

Define default catch-all rules by journal source and category to handle unexpected combinations gracefully rather than routing them to suspense. Use meaningful, consistent segment value naming conventions from the start, as these values appear on every financial report and cannot easily be renamed at scale post go-live.

Deploy and flatten the Accounting Flexfield before ledger assignment, and remember that flattening must be re-run after every hierarchy change — not just at initial deployment — to ensure OTBI, Smart View, and Financial Reporting Studio reflect current hierarchy data accurately.

Finally, test cross-segment journal entries explicitly in a conference room pilot before go-live, covering every combination of balancing segment values that will realistically appear in production, to validate that intracompany rules fire correctly and that the resulting Due-To and Due-From entries post to the intended accounts.

PRE-REQUISITES / BEST PRACTICE

Before configuring secondary and tertiary balancing segments in Oracle Fusion, several foundational setup elements must be in place:

- The enterprise structure must be defined first — Legal Entities must exist and be associated with the Primary Balancing Segment values before the ledger can be created, as Fusion uses this association to determine which entity a transaction belongs to.
- The Accounting Calendar must be created and assigned, since the ledger cannot be completed without it, and calendar changes after go-live are extremely disruptive.
- The currency must be defined and assigned to the ledger before any transaction processing.
- The Subledger Accounting method must be selected before the ledger is finalised, as this drives how subledger transactions are converted into GL journal entries and affects how balancing lines are generated downstream.
- Finally, the Chart of Accounts Value Sets must be fully defined and populated before the Accounting Flexfield can be deployed, since deployment validates the structure against the value sets — attempting to deploy with incomplete or empty value sets will cause errors that require rework.

DOCUMENT EXCLUSIONS

Full Ledger Set-up is not included. Scope of the document is to highlight the importance and impact of multiple Balancing Segments.

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