



## **TRUSTprocessor Add-On Module Overview: Income Accrual**

### **FUNCTION:**

The Income Accrual Module automates the calculation of interest, dividends or capital gains distributions for any asset that pays income based on the daily balances.

It can be used for money market accounts, savings accounts and mutual funds as well as privately managed pooled funds.

Even though the normal usage is to distribute types of income, this module can also be used to distribute expenses such as management fees or capital losses.

### **BENEFITS:**

#### **The Income Accrual Module adds value to the core system by ...**

- allowing configuration of each accrual asset to specify the general ledger account and transaction description. This can be overridden for a specific income posting, which would be useful if there is a negative earnings situation.
- providing a calendar for entry of the daily income factors for each asset. The factors can be entered as an annual percentage or a daily factor. If the Market Pricing Interface module is installed, this information can be imported electronically.
- calculating income using the stored the daily balances for each account based on the buy and sell transactions. This is more accurate than bulk posting, which is able to create transactions only based on current holdings.
- allowing flexibility to calculate accrual income amounts for any frequency. The most common schedule is monthly, but it can also handle assets that pay income quarterly or annually.
- providing a preview of accruals since the last date of income payment to verify the system calculations with the real world balances at the broker.

(continued on reverse)

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## **BENEFITS (continued):**

### **The Income Accrual Module adds value to the core system by ...**

- providing a report for balancing before transactions are created. The report can be either full details of daily balances, or a summary of one line per account.
- creating the transactions for each account, ready to proof and post.
- greatly reducing man-hours required to perform these intensive calculations for each holder on a daily basis.

## **COMPLEMENTARY MODULES:**

- Market Pricing Interface from Interactive Data will import daily accrual factors for publicly traded securities.
- Cash Sweep Module automatically creates the transactions that keep each account invested according to the criteria for that account.
- If you have any electronic source of daily factor data, we can write a custom program to import it.