

Receiving Payments

Allocating receipts

When allocating receipts for a customer who receives invoices and credit notes in a foreign currency please refer to the section below.

When Customer invoices have been issued then there will be subsequent receipts. It is good practice to both record the receipt and deposits as soon as possible. To make this as efficient as possible the system provides a dedicated receiving payment transaction accessed via the **ACTIVITIES → RECEIVE PAYMENTS** menu option.

A screen is then presented which identifies all those customers for which there are unpaid invoices. Choose the customer for which the payment has been received by clicking the **SELECT** button.

All unpaid Invoices are displayed in the lower **Invoices** section, outstanding credit notes and other unapplied items, such as miscellaneous deposits or payment items are displayed in an upper **Unapplied Items** section.

Use	Date	Document	Reference	Credit Amount	Amount Unused	Amount To Use	Hide ?
<input checked="" type="checkbox"/>	04/01/2006	Misc Deposit		£500.00	£500.00	500.00	<input type="checkbox"/>
<input checked="" type="checkbox"/>	27/01/2006	Credit Note	00000004	£305.50	£305.50	305.50	<input type="checkbox"/>
<input checked="" type="checkbox"/>	14/02/2006	Cheque	100501	-£500.00	-£500.00	-500.00	<input type="checkbox"/>

Receive	Due Date	Invoice #	Invoice Amount	Amount Due	Amount Received	Write-off ?
<input checked="" type="checkbox"/>	19/02/2006	00000001	£1,222.00	£1,222.00	1222.00	<input type="checkbox"/>
<input type="checkbox"/>	09/03/2006	00000002	£611.00	£611.00	0.00	<input type="checkbox"/>
<input type="checkbox"/>	18/03/2006	00000003	£1,833.00	£1,833.00	0.00	<input type="checkbox"/>

- ◆ The default **PAYMENT DATE** is to-days date. Edit the date as necessary.
- ◆ Enter **REFERENCE** information if desired.
- ◆ The **MEMO** field defaults to a 'Receive Payment' description. This can be changed or amended as required.
- ◆ Enter the amount received in **PAYMENT AMOUNT**. This may be a net amount with the value of credit notes or other unapplied items deducted.
On moving to the next field the value of the amount received appears in the **UNAPPLIED AMOUNT** field. This is the amount, which needs to be applied to invoices.
- ◆ The **DEPOSIT TO** field is used to select where the payment is to be deposited. By selecting a particular bank account, the receipt will appear in the bank reconciliation as a unique item. It may be, however, be your practice to bank several cheques at the same time. In this case the bank statement will show the aggregate amount. In order to have the same aggregate amount appear in the system bank reconciliation screen, deposit the receipt to **Un-deposited funds** (select from the dropdown). Then use the **Bank Cash/Cheque Income** transaction to record the details from the actual bank paying slip of the multiple cheques and cash actually deposited to the bank

(see **Banking Cash & Cheques** user guide.) This value will then appear in the reconciliation screen and will match the item shown on the bank statement.

- ◆ Apply the payment received to an invoice by clicking on the box to the left of each invoice(s) or unapplied item(s). If the payment is for one or more invoices then check those boxes. When the **UNAPPLIED AMOUNT** shows as zero, click on **SUBMIT** to complete the transaction.

In the example above, an amount of £916.50 has been received. This is applied to invoice No 1 and the credit note No 4. Also a miscellaneous deposit of £500.00 has been repaid with a cheque, and is matched in the same process.

Note that when an invoice has been fully paid then any copies of the invoice subsequently prepared will have a light watermark of “Paid in Full” displayed across them.

Allocating Receipts for a foreign currency Customer

Select the customer is in the usual way from the **Receive Payments** menu option.

All unpaid Invoices are displayed in the lower **Invoices** section, outstanding credit notes and other unapplied items, such as miscellaneous deposits or payment items are displayed in an upper **Unapplied Items** section. The invoices show the currency amount as

Customer: Belgium Trading SA

Payment Date	Reference	Memo	Payment Amount	Unapplied Amount	Deposit To
19/03/2008		Receive Payment	0.00	£0.00	Select..

Unapplied Items

Use	Date	Document	Reference	Credit Amount	Amount Unused	Amount To Use	Hide ?
<input type="checkbox"/>	01/03/2008	Credit Note	00010362	£216.22	£216.22	0.00	<input type="checkbox"/>

Invoices

Receive	Due Date	Invoice #	Invoice Amount	Amount Due	Amount Received	FX Due ?	FX Received ?	FX Gain(Loss) ?	Write-off ?
<input type="checkbox"/>	11/03/2008	00010361	£1,265.38	£1,265.38	0.00	1,800.00 (EUR)	0.00 (EUR)		<input type="checkbox"/>

Submit Cancel

well as the sterling translation

Enter the sterling amount received **Payment Amount** Box and also select the bank account in the **Deposit To** dropdown box. If a Credit note or an unapplied item is to be allocated to this receipting process, click the boxes in the left hand side. Finally click the invoice that is being paid. The **Amount Received** Box, displays the sum of the **Payment Amount** plus the ticked unapplied items. If in fact a refund alert appears at the bottom of the screen, add the amount of the refund to the amount already in the **Amount Received** Box so that the alert

Customer: Belgium Trading SA

Payment Date	Reference	Memo	Payment Amount	Unapplied Amount	Deposit To
19/03/2008		Receive Payment	1064.00	£(0.00)	Select..

Unapplied Items

Use	Date	Document	Reference	Credit Amount	Amount Unused	Amount To Use	Hide ?
<input checked="" type="checkbox"/>	05/03/2008	Credit Note	00010363	£217.39	£217.39	217.39	<input type="checkbox"/>

Invoices

Receive	Due Date	Invoice #	Invoice Amount	Amount Due	Amount Received	FX Due ?	FX Received ?	FX Gain(Loss) ?	Write-off ?
<input checked="" type="checkbox"/>	11/03/2008	00010361	£1,265.38	£1,265.38	1281.39	1,800.00 (EUR)	1800.00 (EUR)	£16.01	<input type="checkbox"/>

Submit Cancel

disappears.

To complete the transaction and automatically post any exchange gains or loss to the profit & loss account, enter the total currency amount in the FX Received box (to signify that that it is not a part payment). The amount exchange gain or loss is displayed. Click **SUBMIT** to record the transaction including the exchange gain or loss to the Foreign Currency Trading Gains/Losses account in profit and loss

Part Payment of an Invoice

If there is a part payment applied to a particular invoice then the system records the balance still due, and the invoice continues to appear in the receive payments screen and in all other outstanding invoices reports and screens.

Customer: Total Engineering LLP

Payment Date 15/02/2006	Reference	Memo Receive Payment	Payment Amount 1200.00	Unapplied Amount £0.00	Deposit To Current Account
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Invoices

Receive	Due Date	Invoice #	Invoice Amount	Amount Due	Amount Received	Write-off ?
<input checked="" type="checkbox"/>	06/03/2006	00000005	£2,444.00	£2,444.00	1200.00	<input type="checkbox"/>

Please note that it is possible to treat a part paid invoice as paid by amending the **Terms** dropdown to **Paid in Full** and selecting a bank account, however this is not recommended as, particularly for entities using Cash based VAT schemes, this may distort the dates used for VAT returns.

Overpayment of an Invoice

Occasionally there may be an overpayment applied to a particular invoice. There are two solutions; either to raise a cheque transaction to refund the overpayment, or place an entry as a liability in the particular Customer Account in Accounts Receivable. The transaction will be visible in the relevant Customer Account of the Accounts receivable ledger. (See **Accounts Receivable Ledger** user guide)

If you chose to refund by cheque enter the **DATE**, select the **BANK ACCOUNT** on which the

Customer: Busters Bar

Payment Date 15/02/2006	Reference	Memo Receive Payment	Payment Amount 1722.00	Unapplied Amount £500.00	Deposit To Current Account
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Invoices

Receive	Due Date	Invoice #	Invoice Amount	Amount Due	Amount Received	Write-off ?
<input checked="" type="checkbox"/>	10/02/2006	00000006	£1,222.00	£1,222.00	1222.00	<input type="checkbox"/>

You can issue a refund for the unapplied amount of £500.00, otherwise the overpayment will be placed in the Account Receivable --> Customer account.

Date Bank Account Cheque #



If a customer makes a payment twice for the same invoice, after the first receipt the invoice will no long display for the second receipt to be allocated against. In this case use the miscellaneous deposit transaction, see **miscellaneous deposits** user guide.

Viewing and/or deleting a received payment

Until a received payment has been reconciled to a bank account or included on a VAT return (if the entity has selected the Cash accounting method for VAT) the transaction may be deleted.

Select the **LISTS** → **RECEIPTS** menu option.

All Received Payments transactions are displayed for all customers or a selected customer recorded in the date range.

If the transaction has been reconciled then there is a green tick  mark displayed in the right hand column and the transaction can not be deleted. If the  (delete) button is displayed, clicking on this deletes the transaction and resets the invoice to be shown as outstanding.

?	Date	Reference	Amount	Customer	Bank Account	Memo	
	07/08/2003		€12,500.00	German Client	Accounts Receivable	Receive Payment	
	08/08/2003		€5,500.00	French Customer	Accounts Receivable	Receive Payment	
	26/08/2003		€3,800.00	Belgium Customer	Accounts Receivable	Receive Payment	
	09/09/2003		€24,489.40	Large Company	Accounts Receivable	Receive Payment	
	19/09/2003		€500.00	French Customer	Accounts Receivable	Receive Payment	
	19/09/2003		€11,200.00	Large Company	Accounts Receivable	Receive Payment	
	12/10/2003		€2,820.00	UK Company Ltd	Accounts Receivable	Receive Payment	

As an alternative it is possible to locate and delete the transaction by viewing the relevant bank account from the **ACCOUNTS** menu.

Dealing with a Dishonoured Cheque

Please refer to the **Dealing with Dishonoured Cheques** user guide.

Hiding Unapplied Items

There are occasionally situations where unapplied items (Credit Notes or Miscellaneous Payments) will display on the Receive Payments screen but there are no (and unlikely to be in the future) sales invoices to match the items against. This could be the situation where a relationship with a customer is ended and what remains is an issued credit note that is paid to the customer as cash payment. The Receive payments screen will show both the credit note and the miscellaneous payment. The balance on the customer account and the aged debtor situation is correct, the receive payments screen, however, will continue to display the transactions indefinitely. To remove them from the screen (not removing the transactions) tick the **HIDE** box adjacent to each transaction, as shown in the example. Click **SUBMIT** and the transactions will be hidden.

Received Date 12/08/2011	Customer Total 0.00				
Unapplied Items					
Date	Document	Reference	Credit Amount	Amount Unused	Hide ?
01/08/2011	Credit Note	00000042	720.00	720.00	<input checked="" type="checkbox"/>
12/08/2011	Online Payment		-720.00	-720.00	<input checked="" type="checkbox"/>
<input type="button" value="Submit"/> <input type="button" value="Cancel"/>					

Note the value of transactions hidden must be zero, in effect equal and opposite. The system will prevent the hiding of non-zero sums.

Hidden transactions are identified on the AR listings with the date of hiding and on the customer account transaction listing with a **H** symbol. Clicking on this symbol will unhide the transaction so that it reappears on the receive payments screen.

From		To		Go		
01/07/2011		12/08/2011				
Accounts Receivable Customer 11						
Date	Reference	Type	Account	Name	Memo	Balance
12/07/2011	00000040		Customer 11			Balance B/F: 0.00
	View	Invoice		Sales Analysis 1		3,600.00
01/08/2011	00000042		Customer 11			0.00
	View	Credit Note		Sales Analysis 1		(720.00)
12/08/2011	00000041		Customer 11			2,880.00
	View	Invoice		UK Sales		1,500.00
12/08/2011			Customer 11			0.00
	View	Online Payment		LTT Current		720.00
12/08/2011			Customer 11			5,100.00
	View	Receipt		LTT Current	Receive Payment	0.00
	Void	Del				5,100.00
						0.00

Aged Debtors and AR Listing Reports

As part of a credit control process, knowledge of outstanding customer invoices and their age profile is very important.

An **Aged Debtors** report fulfils this need. The report is accessed via the **REPORTS** menu.

REPORTS → ACCOUNTS RECEIVABLE → AGED DEBTORS

- ◆ Enter a **date** for which the report is to be run. Note that the report will prepare the list of outstanding sales invoices and credit notes existing as that date.
- ◆ Click on **ALL** for all customers or select a single or a range of customers.
- ◆ Click on **GENERATE** to prepare the report which is in pdf format and can be printed, saved or even e-mailed.

Aged Debtors Report	
For all recorded transactions to...	23/06/2005
Please select customer(s) ?	Selected customer(s) - Click to unselect
<ul style="list-style-type: none"> All Earth Technology PLC Venus Management Ltd 	
<input type="button" value="Generate"/>	

paul Consulting Ltd -TRIAL										
Aged Debtors Detail										
For All Recorded Transactions to June 23, 2005										
Date Due	Date TX	Reference	Type	Date W/O	Current	30 Days	60 Days	90 Days	120+ Days	Balance
Earth Technology PLC										
14/06/2005	10/04/2005	00010354	Invoice	23/06/2005	6,345.00	0.00	0.00	0.00	0.00	6,345.00
Customer Subtotals:					6,345.00	0.00	0.00	0.00	0.00	6,345.00
Venus Management Ltd										
09/05/2005	02/05/2005	00010356	Invoice		0.00	293.75	0.00	0.00	0.00	293.75
30/05/2005	20/04/2005	00010355	Invoice		2,778.87	0.00	0.00	0.00	0.00	2,778.87
Customer Subtotals:					2,778.87	293.75	0.00	0.00	0.00	3,072.62
Report Totals:					9,123.87	293.75	0.00	0.00	0.00	9,417.62

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The **AR Listing** report shows all (including non cash) transactions that have impacted a Customer Account. It is accessed in a similar way to the **Aged Debtors** Report

REPORTS → ACCOUNTS RECEIVABLE → AR Listing

A report in Adobe pdf format is prepared which may be printed at a local printer, saved locally or even emailed.

Consulting Company Ltd								
Accounts Receivable Listing								
October 1, 2005 through December 31, 2006								
Date	Reference	Type	Account	Memo	Charge	Receipt	Balance	
Beef Farm								
04/01/2006		Misc Deposit	Current Account		0.00	1,410.00	(1,410.00)	
04/01/2006	00000001	Invoice	Sales - Consulting		117.50	0.00	(1,292.50)	
01/02/2006	00000002	Invoice	Sales - Consulting		117.50	0.00	(1,175.00)	
01/03/2006	00000003	Invoice	Sales - Consulting		117.50	0.00	(1,057.50)	
01/03/2006	100123	Cheque	Current Account		1,057.50	0.00	0.00	
Engineered Tools								
14/12/2005	200527	Invoice	Suspense	Customer Opening Balance	998.75	0.00	998.75	
Joyful Cards Ltd								
03/12/2005	200519	Invoice	Suspense	Customer Opening Balance	1,762.50	0.00	1,762.50	
22/12/2005	C200503	Credit Note	Suspense	Customer Opening Balance	(587.50)	0.00	1,175.00	
Network IT Co								
29/01/2006	00000004	Invoice	Sales - Consulting		1,598.00	0.00	1,598.00	
03/02/2006	00000005	Credit Note	Sales - Consulting		(499.38)	0.00	1,098.62	
Royal Oak Pub								
13/01/2006	00000006	Invoice	Sales - Consulting		1,997.50	0.00	1,997.50	
23/01/2006	00000007	Credit Note	Sales - Consulting		(499.38)	0.00	1,498.12	
13/02/2006		Receipt	Current Account	Receive Payment	0.00	1,498.12	0.00	

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