

ACCOUNTS RECEIVABLE

Note that transactions (including credits) are almost always entered as a positive amount - the only exception is set out below under How to process a returned (dishonoured) cheque.

How to Add Customer Transactions (Banking)

- Click <Transactions> to open the transaction file.
- On the select screen, the default is <Entered Transactions>.
- Click <OK> (not Cancel). The list should be empty. If it is not, you need to check whether the transactions in it need to be put on hold or posted, before you create any more records.
- Click <Create New Record>. As the most common type of trans-action you would add in this way is a receipt, the <Receipt> radio button is the default.
- Enter the <customer code> for this transaction. If you are not certain of it, enter what you think it is and a list of all customers will be displayed, with the closest match highlighted.
- Find the one you want and click <Accept>.
- Tab to the <Total Amount> field. Enter the total amount of the transaction in the total amount field.
- Select the <payment method> (CHEQ, VISA, AMEX, CASH, DC - just type the first letters eg CH and CHEQ will default into the field)
- The <bank, branch and drawer> information will default from the customer master file if it is stored there, but can be changed here if necessary. Details should be the same as on the cheques, credit card slips. etc that you are actually banking today .
- Enter details as required in the <Our Reference> and <Alt(ernative) Reference> fields
- Today's <date> will default into the date field, but this can be changed if necessary.
- The <Period> field should be left blank. Do not put a zero in it.
- If your system is set up to <extract tax on receipts>, this will be done automatically by Print-cost, but the <nett> amount and the <tax> amount can be altered here.
- If some transactions not including tax are entered, tax will need to be removed manually here, and the total amount of the receipt will default to the nett amount field. If an individual customer is set up to "Never include tax" this will be activated, otherwise the system default will operate.

Allocation:

- Check the <Allocate> box so that you can manually allocate transactions as they are entered. When the <Allocation> grid appears, it will show the oldest transaction at the top.
- If you do not want to apply the receipt to a transaction on the list, use the down arrow (↓) to bypass the oldest or any transaction.
- When the one you want to allocate this receipt to is highlighted, press Enter to allocate against this invoice or debit.
- If the full amount of the transaction is allocated, the amount in the <Outstanding> field will be zero. You cannot allocate a greater amount than shows in the Outstanding field.
- When you have finished entering transactions, print a banking report (076), to take to the bank for the bank deposit. Direct credits or credit journals created (eg from discounts – see below) will not appear on this report, but they will be included on the daily transaction report (074). Check the report, correct any errors and do a backup.
- Transaction <status> needs to be actioned. When transactions have been put into the system, they are automatically given the status <Entered>.
- Once they have been entered, reports printed and checked, and backups done, they are normally posted. The only time they are not posted is when the previous month's transactions are not completed. (See Putting transactions On Hold, pg 16)
- <Post>: All manually entered transactions must be posted to have any effect. Once posted, a transaction cannot be altered other than by allocation. You must type YES in upper case letters to action the Posting function, to stop it being done accidentally.
- Transactions which have been posted will update customer balances (and, if appropriate, sales figures), and can no longer be changed although their allocation can be changed.
- Note that a system message will appear if a transaction is unable to post because the customer or parent code is invalid.
- If you try to post transactions which have a different date from the system date an advisory message will appear. It may be that you have not yet aged for the month, or you have not changed the default date (this month) when entering transactions from last month while processing end of month.

Putting Transactions on Hold

- Banking transactions can be put “on hold” if you have not completed the previous month's processing.
- Action <On Hold>by clicking the Set Status to Hold button, and type YES to proceed. Transactions on hold can still be altered or deleted, unless they have been allocated. You need to make sure you post them when the previous month's processing is complete (after ageing Accounts Receivable)
- To change them from On Hold to Post, click Sel(ect) and use the Quick Pick “On Hold Transactions”, then OK. This will list all On Hold transactions. Check that all transactions on the list relate to the month you expect (if any should not be on the list remove them using the <Rem> (Remove) button), then click the Post button.

Prompt payment discounts

- If the amount of the transaction is less than the invoice or debit you are allocating against, and your system is set up to allow discount, you may be asked whether you want to discount the balance.
- If perhaps your customer has taken a prompt payment discount, you would click OK on the prompt screen (this will create a credit journal entry, which is automatically allocated against the invoice). A warning prompt will appear if the discount is large. The discount credit will be created with an Alternate Reference of Disc, which can be used for selection purposes.
- The credit journal created by the discount transaction will appear when you click List, so it is included in your transaction report.
- If your customer has short paid an invoice, you may want to <Cancel> the discount amount offered, so that the balance remains outstanding, unless it is only a few cents.

NOTE: the option to allow or disallow discount entry is in Tools, System Setup, Accounts Receivable.

Using Periods in Transactions:

- The period field should be left blank. All transactions over multiple periods will show on the grid, so the receipt will apply to the oldest debit transaction (debit journal or invoice) first. Note: leaving the period field blank is not the same as putting 0 (zero) in it. A zero would indicate that this transaction is to be allocated to a current period debit transaction.
- Other valid periods are 0 to 4. For example, if the period entered is 2, only period 2 debit type transactions (not older or more recent) would have amounts in the grid for manual allocation. If the periods do not match, no transactions will appear.

Autoallocate

- To auto allocate transactions, select those to be allocated (using the Select screen - you would probably select Entered Transactions), check the list of transactions, and then click the Auto Allocate button.
- If no period is entered (our recommendation), the transactions would auto allocate against debit transactions over multiple periods, starting with the oldest.
- If auto allocate is used, with a period entered, the receipts would allocate only to debit type transactions with the same period.

Reverse allocation

- To reverse an incorrect allocation, use the Reverse Allocation button. A prompt will ask “Are you sure?” All allocations for this transaction will be reversed. Where allocations relating to an earlier period are reversed and reallocated, you should rebuild the trial balance. <Functions> (top of screen), <Data Checks>, <Rebuild Debtors Trial Balance>, type YES, <OK>).

Show Completed and Show Zero Balance

- To see all transactions, click <Show Completed>: completed transactions will also show in the allocation grid. Note that transactions are not "completed" until they have been fully allocated and the period end is done.
- If you have clicked <Show Zero balance>, transactions with a zero balance will be shown in the allocation grid, as well as those with an outstanding balance.

How to correct a receipt allocated to the wrong customer:

- If the receipt is Entered only, you can simply change the customer code in the receipt and allocate it correctly. If the receipt is on hold or posted, you need to follow the procedure below.
 - Reverse the allocation of the amount (\$66.66 is our example) from the wrong customer, who we will call Jones. To do this:
 - <Customers> Select customer Jones.
 - Click <Activity> and click on the wrongly allocated receipt transaction, which we call 44221
 - <Details>.
 - <Reverse Allocation>
 - You will get a message asking “Are you sure?” Click <Yes>.
 - This will fully unallocate the receipt. There is no way to unallocate only part of it. You can check this by clicking on the List screen, which will now show the receipt transaction as unallocated posted.
 - The next step is to create a **debit** transaction for the amount wrongly allocated.
 - <Create New Record>
 - Select the <Debit> radio button.
 - Enter the customer code Jones as per the incorrect receipt. Enter the amount as a positive, and make sure it has the correct date. Check it is correct, print a transaction report if you wish, and post it. Open the original receipt (44221) again and allocate it against the new debit, which will be on the list to allocate against. This balances and clears the transactions for the customer Jones, and leaves the original amount still owing.
- The next step is to correct the account for the correct customer
- You need to create a credit for customer Smith (who actually paid) and allocate it.
 - <Transactions>
 - <Reset> <Entered Transactions>
 - <OK> <Create new record>
 - Select type <credit> (don't forget the correct date).
 - Enter the details of credit (customer Smith, amount as a positive figure, and so on), click Allocate, and then allocate it against the invoices that were paid by customer Smith.
 - NOTE: by creating a credit (rather than a receipt) for Smith, you will keep your receipts (banking) total correct, but the amount will still be credited to Smith's account.

Debits, Credits and Credit Journals

These are created in a similar way to a receipt transaction. Invoices are normally created through the jobs file. If you need to credit a job, see below, How to Credit an invoiced job Pg 42. Crediting it through jobs will keep your sales analysis correct.

- Click <Transactions>
- Select <Entered Transactions>. The list should be empty
- Click <Create New Transaction>.
- The default is to create a receipt, so you must click the button for the transaction type you want - debit, credit or credit journal.
- Enter the customer code
- Enter the GL code (this may be the Sales code, for example)
- Enter the amount as a positive figure.
- Change the date from the default (today's date) if required.
- Remember to allocate the transaction when it is posted.

How to process returned (dishonoured) cheques (or electronic payments not made, or reversed)

To keep your banking records correct, you should create a “negative receipt” for any deposits returned from the bank.

- First you should find the original receipt and unallocate it. The easiest way to do this is to select the customer, click <Activity>, to get a list of current transactions. If the receipt you want is not on the list, you need to find older receipts for the customer. To do this:
 - <Sel>
 - On the bottom line “Transaction Status DT Alpha To 8”, untick the box at the righthand side to get all transactions.

- Now click the <Selection> grid.
- Select <Type of Transaction>
- Change the Test to Alpha Equals
- Enter R for the Value. The line reads Type of Transaction DT Alpha Equals R. (R means Receipt). You have 2 lines on the Select grid.
- Tick on Show All. Click <OK>. You will now have a list of all receipt transactions for this customer.
- Find the receipt that has been reversed by the bank, click Details and Reverse Allocation, and Yes to unallocate the original receipt.

Now create a negative receipt to correct the customer record and banking.

- <Transactions>
- <Create New Transaction> (Default is Receipt)
- Enter the customer code
- In the amount field, enter the amount as eg -250.00.
- A prompt will note that this is a negative amount, and asks whether you want to proceed. Accept Yes.
- Make sure the correct date is put on the transaction.

Report and post the transaction as usual

Now go back to the original receipt and allocate it against the negative receipt. (Negative receipts cannot be allocated.)

If the receipt being reversed is in History, ie not the current month, you should rebuild your Debtors Balance when you have finished. <Functions> <Data Checks> <Rebuild Debtors Balance> Type YES. <OK>

How to process a refund

Where a customer has paid an invoice, but for some reason requires a refund (which will be paid by cheque or direct debit), it should be processed in the following way:

1. Create a credit note (by crediting or part crediting the original job See pg 42). This will keep your sales analysis and GST correct.
2. Now create a debit transaction.
<Transactions> Entered transactions is usually the default.
<OK>
<Create New Transaction>
Select type Debit.
Enter the total amount (the same as the refund and invoice total). Do not break out GST, and use a Suspense account code (NOT the Sales Chart of accounts code)
Check that the transaction is correct and Post it. When the credit invoice has been posted, this debit can be allocated to it.
3. In General Ledger, enter the full amount of the cheque against the same suspense account as the debit, and ignore GST, as it has been accounted for by creating the credit invoice. The balancing amount goes against the bank account the refund came from.

Posting Invoices and End of Month

(If using an accounts package other than Printcost, use these instructions to the end of number 4, then go through numbers 12 to 14 for sales analysis and ageing)

1. Post invoices
 - Print an audit trail of jobs (Invoiced Jobs to be posted).
 - <Job Deliveries>
 - Select <Invoices Not Posted>
 - <OK>
 - <Reports>
 - <Invoice Data Report 12>
 - <Print>
2. **BACKUP:**
3. Post invoices
 - <Account Link> (or <Post Invoices>)
 - Defaults to Jobs (Click on Sales Orders if applicable).
 - Accept the default or select a range of dates if you wish.
 - <Pre-total>

- Check that the total is the same as the Invoice Data report just printed. If it is the same <Post>
 - If it is not the same you will need to do further checking.
- If you are using an accounting package other than Printcost accounting, you now need to import the data from Printcost into your accounts package using the instructions provided by your vendor.

If using Printcost accounting:

4. Perform a debtors balance check:

- <Function> (At top of screen)
- <Data Checks> <Debtors balance check>
- Type YES
- Should have **NO ERRORS**

5. Check if any Transactions are still Entered or On Hold

- <Transactions>
- <Select> - <Reset> - Quick Pick <Entered transactions>
- <OK> Post if related to the month you are completing

- <Transactions>
- <Select - Reset - Quick pick <On Hold>
- <OK>

Check that any transactions here do not relate to the month you are processing. (If all transactions are posted, the lists will be empty)

Post if necessary – but only if they relate to the correct month.

6. Check that all credits and Receipts are allocated

- <Transactions>
- <Select> <Reset>
- Quick pick = Credits / receipts to be allocated
- <OK>
- Allocate the receipts and credits on the screen if necessary.
- <Details>
- <Allocate>
- Select the invoice or credit that this transaction is to be allocated against, and press Enter. Note that if your system is set up to allow creation of discount credits while allocating, and this occurs, you will need to post these before proceeding. You can print an allocation report if required, showing which invoices and debits the credits and receipts have been allocated against. (Transactions, Reports, choose Report 81)

7. Print Trial Balance.

- Select Customers with outstanding balance
- <Reports> <Trial Balance #075> - (Print summary only)
- <Print>
- Check the trial balance for anomalies (eg credit in current month, outstanding in earlier month) before proceeding.

8. Print Statements

- <Customers>
- <Select - Quick pick = Statements incl Credit Bal> if you want those with a credit balance, otherwise select <No credit balance>
- <Show All> <OK> (Once listed on the screen)
- <Statements> the statement date defaults to current AR month.
- Type a message for the statement if required
- <Print>

NB. If another copy is needed for office copy or other purpose, then repeat the above from <Statements> using the same selection.

If you have a printer problem and your statement print is not completed, you can re-select the customers as above, but enter a test for Customer Code and the code range that you need to print. Check that you have the correct selection on the list screen, then click <Statements> and proceed as above.

If you need to print a statement for only one customer, highlight that customer on the list screen: <Statements>

<Single Customer only>
<Print>

9. Other optional reports, found under Customers, Reports, include:
- 080 Print Debtors Trial Balance Extended (Gives default contact name and phone number details and can be used for credit control)
 - 090 Print Debtors Transactions by Transaction (Gives opening balance, cumulative total, and list of all outstanding transactions - similar to Open Item report.)
 - 091 Print Debtors Transactions this month (This also acts as a balance check. If ever you have errors in your Debtors balance Check, print this report, as out of balance items will be flagged.)
 - 015 Customer YTD Sales (Lists customer sales for last 12 months and total YTD)
 - 077 Print Customer Sales Report Compares actual sales to budget sales and gives variances.

10. Print Transactions for the Month

- <Transactions>
- <Reset> - Quick Pick = Transactions entered this period and posted>
- <Show All> <OK>
- Click at the top of the Customer column (to list in customer order)
- <Reports> <074 Transaction listing> Put in the month / year in Comment field if you wish.
- <Print>

For credit control purposes, report 192 in Transactions can also be printed, using the selection Transactions not fully allocated.

11. .Print Sales Report

- <Customers>
- <Select - Reset - Quick pick = YTD sales>
- <Reports>
- <Sales by Rep>

12. Before doing the first time go to <Tools> <System Setup> <Sales Analysis> and tick all sales analysis options Print Sales Analysis report (Production)

- <Sales Analysis>
- <Reset>
- <Show All>
- <OK>
- <Reports> Choose the report you require. Sales reports must be printed before ageing is done, as sales data is cleared then <Print>

13. **BACKUP** - END OF MONTH. Regular cyclic backups should be made and monthly ones should be kept permanently! See page 8

14. Age Financials for the month

- (Make sure no other users are logged on, you have printed all reports required before proceeding, AND A BACKUP IS DONE)
- <Functions menu> (Top of screen)
- <Age> <Financial period end>
- Tick the modules you want to age now. <Accounts Receivable, Sales, Inventory>
- ONLY tick "Year End" at your financial year end (this includes monthly age so cannot be done alone).

NB: if ageing completed successfully a prompt saying "End Ageing!" will appear when it is finished.

15. Check Ageing worked OK

- <Misc> top of screen
- <Debtors balance check> <YES>

Check the following:

- a) Balance forward total should equal Total of Debtors
- b) All other fields in This Month's Transactions should be 0.00

When all the above are OK, we now proceed to a new month.

It is also a good check to keep a manual record (perhaps on an index card). To do this, start with the opening balance (from your last trial balance) and list each posting. Add sales and debits and deduct receipts and credits from the balance.

Date	Sales / Deb	Sales Total	Receipts/Cred	Balance	As T/B
1/6				10,000	<input type="checkbox"/>
5/6	12000			22000	<input type="checkbox"/>
10/6	7000	19000		29000	<input type="checkbox"/>
13/6			16000	13000	<input type="checkbox"/>
15/6			5000	8000	<input type="checkbox"/>

This should be checked against the debtors' balance at regular intervals (at least monthly), and if sales are separated in the postings the sales total should be checked also. If using General Ledger, you should also post the AR and BA batches and check that the Chart of Accounts trade debtors amount equals the trial balance.

End of Financial Year Procedure

Before annual ageing we recommend that you print a full year to date sales report (Customers, report 015) either for all customers, or select only those with year to date sales.

When you have completed your procedures and reports for the last month of your financial year, and are ready do the month end ageing, you can select the <Include Annual Age> box on the screen. Printcost will age monthly and then age annually. Annual age must be done in association with monthly age – it cannot be done separately.