

Booklet 2

Guidance Notes

Purchases and Payments

(Revised Aug 2018)

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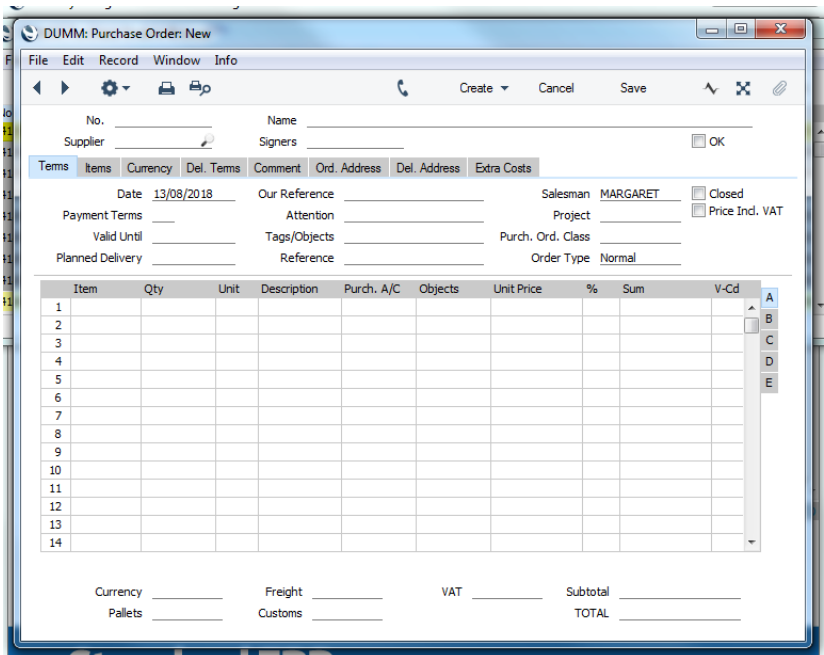
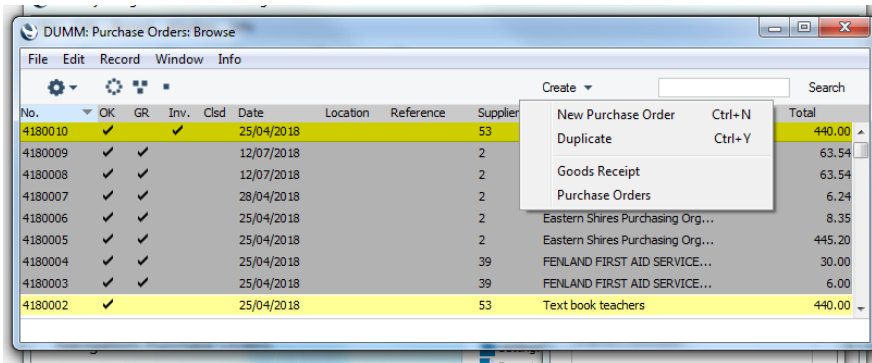
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1. Purchase Orders

This Module handles everything to do with Purchase Orders from creating the initial order, through goods received and posting the invoice for payment.

1.1 New orders

Switch Module > Registers > Purchase Orders > Create > New Purchase Order



No: System generated at the point of saving.

Supplier CTRL Enter to choose the supplier

See Section 1.2 to set up a new Supplier Contact

Tip: After using CTRL Enter, you may find it easier to have the browse window sorted in Supplier Name order (click on name column heading). To save this format go to the menu at the top – Select > Window > Save Normal position. In future when using CTRL Enter for the supplier, type in the name of the

supplier, hit Enter on the keyboard and RM Accounts will take you to that supplier.

Date	The system will pre-populate with the current date, but can be overwritten.
Payment Terms	CTRL Enter to select the payment terms if different to the default for this supplier. e.g. 30 days.
Tag/Objects	<p>Tag/Objects are an additional level of analysis. All account codes are linked to a default Tag/Object, CTRL Enter to select from the list.</p> <p>Additional Tag/Objects may be set up for specific analysis if required. Examples of this could be set up to link income and expenditure for Trips, Pupil Premium, etc. This enables detailed reports to be produced.</p> <p>See Section 1.3 to set up a new Tag/Object</p> <p>If individual order rows are to be coded to different objects, input these on the Item rows; however, if the whole order is just to be coded to one object or combination of objects overall, then input these in the header.</p>
Item	CTRL Enter to view any pre-loaded supplier catalogues > select the items by typing in the part number i.e. ESPO items or select the pre-loaded “MISC” item and then overtyping the description. Do not leave blank.
Qty	Enter the quantity of items required
Unit	If using pre-loaded ESPO catalogue this field will pre-populate – otherwise leave blank
Description	Amend the description if ordering a “MISC” item
NB	Test print an order and count how many characters fit in the description box without overlapping when the order is printed. Then adjust size of dialogue box to fit. The description can then be limited to fit the box.
Purch A/C	CTRL Enter to select the Expenditure Account.
Objects	CTRL Enter to select the Default object or Extra objects required for this item, if inputting individually row by row.
Unit Price	Enter or amend the unit price as necessary. This is the unit price each, net of VAT.
%	Enter the % discount for this item if applicable.
Sum -	This will prepopulate from Qty x Unit price
V-Cd	Enter or amend the VAT code for this item – CTRL Enter for list.

Repeat above for more items on separate rows – order rows must be consecutive - you cannot leave a blank row.

When the order is complete, tick the OK box. The Purchase Order is not posted as a commitment against the budget account until OK has been ticked and the Order is Saved.

Save Finally click **Save** to save the Order. If the Order has been OK'd, it will be posted as a commitment.

Once the order has been saved, it may be printed via the printer icon at the top of the order.

1.2. Setting up Contacts – Suppliers/Customers

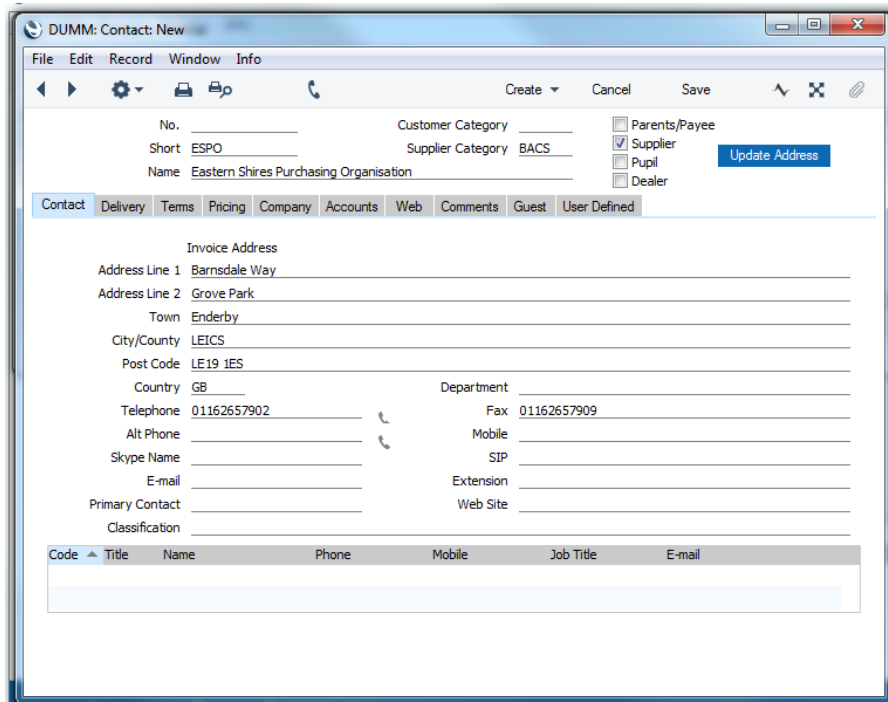
Contacts can be either Suppliers or Customers and in some cases both. All contacts can be accessed through the Purchase Order Module, Purchase Ledger Module or the Sales Ledger Module.

The easiest way to set up a new Supplier is to duplicate an existing one and amend all the fields as necessary by selecting:

Switch Module > Purchase Order > Registers> Contacts > highlight and open Contact no 2 Create>Duplicate (by using Duplicate this will show which fields need to be updated/completed)

There are several tabs and fields for a contact record. The important ones are detailed below.

Contact Tab



The screenshot shows a software window titled "DUMM: Contact: New". It features a menu bar (File, Edit, Record, Window, Info) and a toolbar with icons for navigation and actions like "Create", "Cancel", and "Save". The form contains several input fields and checkboxes:

- No.:** _____
- Customer Category:** _____
- Parents/Payee
- Short:** ESPO
- Supplier Category:** BACS
- Supplier
- Pupil
- Dealer
- Name:** Eastern Shires Purchasing Organisation
- Update Address** (button)

Below these fields are tabs for "Contact", "Delivery", "Terms", "Pricing", "Company", "Accounts", "Web", "Comments", "Guest", and "User Defined". The "Contact" tab is active, showing an "Invoice Address" section with fields for:

- Address Line 1: Barnsdale Way
- Address Line 2: Grove Park
- Town: Enderby
- City/County: LEICS
- Post Code: LE19 1ES
- Country: GB
- Department: _____
- Telephone: 01162657902
- Fax: 01162657909
- Alt Phone: _____
- Mobile: _____
- Skype Name: _____
- SIP: _____
- E-mail: _____
- Extension: _____
- Primary Contact: _____
- Web Site: _____
- Classification: _____

At the bottom, there is a table with columns: Code, Title, Name, Phone, Mobile, Job Title, and E-mail.

No. System generated at the point of saving.

Short Enter a short name that can be used for quick searching and sorting

Supplier Category CTRL Enter and select CH (Cheque), DD (Direct Debit) or BACS whichever is applicable

Name Enter Full Supplier name

Supplier Tick the Supplier box

N.B *Both Supplier and Parents/Payee boxes can be ticked if the contact is both a Customer and Supplier*

Address Enter the address in the fields provided down to Post Code.

Telephone Enter the telephone number.

Email Optional - Enter the email address of the main contact of this supplier

Primary contact Optional - Enter the name of your contact with this supplier

Fax Optional - Enter the Fax number.

Mobile Optional - Enter Mobile number

Website Optional - Enter supplier website address

Delivery Tab

Add a Delivery Address if on split site

Terms Tab

Purch. Pay Terms CTRL Enter here to select the Default Terms. This will be used to calculate the Due Date on Invoices for this supplier. Each Invoice Due date can be overridden, this is just a default.

On Account **Always tick this box** so that you may make "On Account" payments to this supplier.

Company Tab

The screenshot shows the 'DUMM: Contact: New' window with the 'Company' tab selected. The 'Purch. VAT Code' is set to '1' and the 'VAT Reg. No.' is 'GB 705 1805 61'. The 'Supplier Category' is 'BACS'. The 'Name' is 'Eastern Shires Purchasing Organisation'. The 'VAT Zone' is set to 'Domestic'. The 'Type' is set to 'Company'.

Purch. VAT Code - Enter here the default VAT code for this supplier e.g. 1 for 20%. This is again just a default and can be changed on each invoice.

VAT Reg. No. - Enter the supplier's VAT Reg No. **This needs to be unique.**

Accounts Tab

The screenshot shows the 'DUMM: Contact: New' window with the 'Accounts' tab selected. The 'Creditor A/C' is set to '92101'. The 'Bank Account' is '14169258'. The 'Sort Code' is '606006'. The 'Name' is 'Eastern Shires Purchasing Organisation'.

Creditor A/C 92101 (Creditors Control)

- Cost A/C** This is the default Nominal account for invoices to be coded to: it can be left blank if there is no consistent default account. Use CTRL Enter to select Account. An example of this would be Anglia Water – the account code for the service from this supplier will be 31501.
- Bank Account** Optional -Enter the 8 digit Bank Account code here (needed if paying by BACS).
- Bank Account 2** Optional - If the Bank Account Name is a different name to the suppliers name, enter the Bank Account Name here, if not leave blank (needed if paying by BACS).
- Sort Code** Optional - Enter 6 digit sort code – no dashes should be entered here (needed if paying by BACS).

Click **Save** to save this record.

N.B ALTERNATIVE PAYEE (FACTOR)

To process a payment to a particular supplier but make the cheque payable to an Alternative Payee (e.g. member of staff) you will need to set up the Alternative Payee as a Contact. **Refer to section 2.1 for processing a payment to an alternative payee known in RM Accounts as a FACTOR. If Paying by BACS – see BACS guidance notes**

1.3 Receiving of goods

Switch Module > Purchase Orders > Registers> Purchase Orders - highlight the required order, double click to open

Create > Goods Receipt

A Goods receipt will be created and attached to the Purchase Order at this stage and can be viewed by clicking on the paperclip in the top right hand corner of the Purchase Order screen.

The screenshot shows the 'DUMM: Purchase Order: Inspect' window. The form contains the following data:

- No. 4180011, Name Eastern Shires Purchasing Organisation
- Supplier 2, Signers MARGARET, OK checked
- Date 07/08/2018, Salesman MARGARET, Closed unchecked, Price Incl. VAT unchecked
- Our Reference, Attention, Project, Tags/Objects, Purch. Ord. Class, Reference, Order Type Normal

The table below the form is empty:

Item	Qty	Unit	Description	Purch. A/C	Objects	Unit Price	%	Sum	V-Cd
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									

Summary fields at the bottom:

- Currency, Freight 0, VAT 70.80, Subtotal 354.00
- Pallets, Customs 0, TOTAL 424.80

If the goods received do not match the order exactly, amend the quantity in each row to match what has actually been received – it is important that the quantity is correct as it updates and changes the commitments.

For goods not yet received enter a quantity of zero or using the backspace key on the keyboard delete the entire row. Click on the row number so the entire row is highlighted and then press the backspace key.

If you have received all the items on the order, data entry of quantities is not necessary,

Tick the OK box > Save

Flip C on an order will give you the information on the quantities on each row that have had the Goods received.

The screenshot shows the 'DUMM: Purchase Order: Inspect' window. The title bar includes 'File Edit Record Window Info'. The main area contains fields for 'No.' (4180011), 'Name' (Eastern Shires Purchasing Organisation), 'Supplier' (2), and 'Signers' (MARGARET). There is a checked 'OK' box. Below these are tabs for 'Terms', 'Items', 'Currency', 'Del. Terms', 'Comment', 'Ord. Address', 'Del. Address', and 'Extra Costs'. The 'Items' tab is active, showing a table with columns: Item, Qty, Description, Rcvd., Rcvd. OK, Invoiced, Pallet No., and WS No. The table has 14 rows. Row 1 contains: 1, 00639, 10, Speed Ramp Sign Wall Mount, 10, 10, and empty cells for Pallet No. and WS No. Below the table are summary fields: Currency, Freight (0), VAT (70.80), Subtotal (354.00), Pallets, Customs (0), and TOTAL (424.80). On the right side of the table, there are vertical buttons labeled A, B, C, D, and E, with 'C' highlighted.

Note: If the goods receipt is not created the commitment will still be a commitment on the Purchase Account and Object even after the invoice has been paid and you would then be double counting the cost, once as an order and once as an actual invoice.

If an order will not be delivered e.g. Item is out of stock or discontinued, you can tick the 'Closed' box to close an order. This will remove any commitments (that have not been delivered) from the system. **You cannot unclose an order!** If an order has been partly delivered but some items remain outstanding, closing an order will retain the goods for which a goods receipt has been created, but will take out the commitments for those items that have not been delivered – **this is useful for tidying up at end of the year.**

When all the items have been received, you will notice a tick in the GR column for that order in the Purchase Order browse list

No.	OK	GR	Inv.	Clsd	Date	Location	Reference	Supplier	Name	Class	Total
4180008	✓	✓			12/07/2018			2	Eastern Shires Purchasing Org...		63.54
4180007	✓	✓			28/04/2018			2	Eastern Shires Purchasing Org...		6.24
4180006	✓	✓			25/04/2018			2	Eastern Shires Purchasing Org...		8.35
4180005	✓	✓			25/04/2018			2	Eastern Shires Purchasing Org...		445.20
4180004	✓	✓			25/04/2018			39	FENLAND FIRST AID SERVICE...		30.00
4180003	✓	✓			25/04/2018			39	FENLAND FIRST AID SERVICE...		6.00
4180002	✓				25/04/2018			53	Text book teachers		440.00
4180001	✓				25/04/2018			2	Eastern Shires Purchasing Org...		8.35
4170014	✓	✓			08/12/2017			5	Wickes		8.40

1.4 Processing the Invoice for a Purchase Order/Goods received

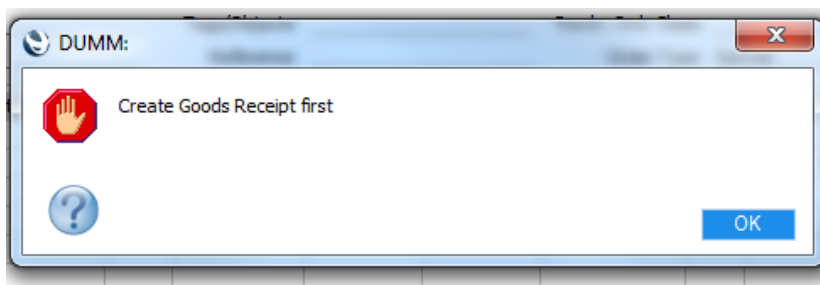
Invoices for goods received and receipted in the system **must be processed** against the Purchase Order itself, not the Goods Receipt; and should **not** be entered directly onto the Purchase Ledger.

This is why schools should insist that the order number is quoted in all correspondence by suppliers.

To process the invoice against the order:

Switch Module > Registers > Purchase Orders open the order and then click **Create > Purchase Invoice**.

If at this stage the Goods receipt has not been created or OKed – a message will appear



Tick OK and then return to the Purchase Order paperclip to check - and create a Goods Receipt or OK the Goods Receipt already created before proceeding

RM Finance assumes that you are processing the invoice for all goods received against the order.

- Supplier** Automatically generated by the system from the Purchase Order
- Total** Check/Amend the Total Gross amount of the invoice including VAT to match Invoice from Supplier.
- Invoice Date** Assumes the current date, **amend to date of invoice**
- Payment Terms** CTRL Enter to choose the pay terms for this invoice if different to the default for this supplier.
- Transaction date** System generated as at current date
- Due Date** Overtyping the due date if necessary, otherwise leave as per calculation from Payment Terms.
- Sup. Inv. No.** Enter the suppliers invoice number. The system will not allow invoice to be saved without an invoice number and a warning message will be displayed.
- Objects** This will be transferred from the order, if it was used instead of inputs against each Row. It may be amended here if necessary.
- Rows** The expenditure account and objects will be transferred from the order to the invoice lines. If the account or object needs amending do it here. Note how the description of the ordered item transfers to the invoice line – this will be visible when drilling down in reports. If you are receiving the invoice for only part of the order, by highlighting the row number and pressing the backspace

key on your keyboard, you can delete whole rows. **This action will only delete them from this invoice, not the original order.**

N.B. Check the VAT code for each row using CTRL Enter to select the VAT code and amend if necessary. If you are not receiving the invoice for the whole order, you may need to amend the Total Amount in the invoice header.

An invoice may be coded to more than one expenditure account or object but the transaction must balance. The amounts on all of the rows plus the calculated VAT must equal the Total in the top of the header.

If the VAT calculation varies, enter the Invoice VAT in the VAT field in the Invoice Header. This VAT amount overrides the Calculated VAT figure.

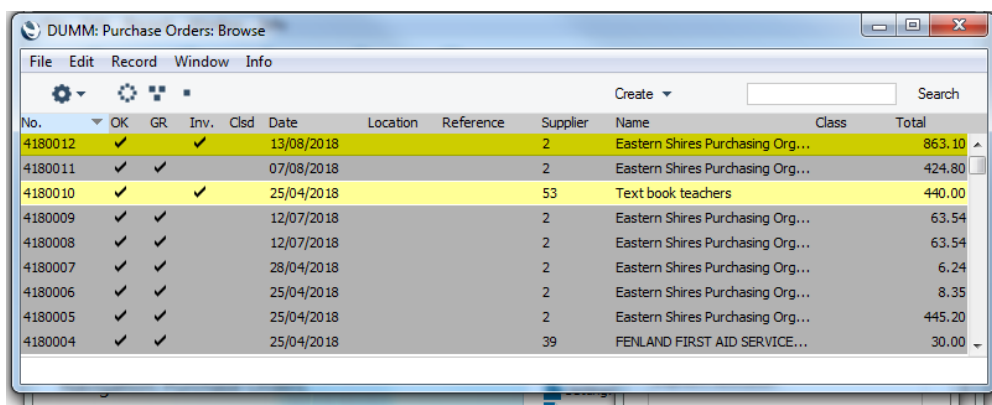
For catering/produce invoices it is recommended that the invoice is split and entered on two lines: 1. Items that are Zero VAT; 2. Items that have 20% VAT and the correct VAT code entered against each line.

OK If you have permission to authorise the invoice, tick OK. The invoice will not be posted to the Nominal Ledger until the OK box has been ticked.

Save Finally click Save. The system generates a unique invoice number. If the invoice has been OK'd, it will be posted to the Nominal Ledger.

The Purchase Order will now have an attachment of the Purchase Invoice transaction against the paperclip. The Purchase invoice will have an attachment on the paperclip of the Purchase Order.

When all the items for an order have been invoiced, you will notice a tick in the "Inv." column for that order in the Purchase Order browse screen.



No.	OK	GR	Inv.	Clsd	Date	Location	Reference	Supplier	Name	Class	Total
4180012	✓	✓	✓		13/08/2018			2	Eastern Shires Purchasing Org...		863.10
4180011	✓	✓			07/08/2018			2	Eastern Shires Purchasing Org...		424.80
4180010	✓		✓		25/04/2018			53	Text book teachers		440.00
4180009	✓	✓			12/07/2018			2	Eastern Shires Purchasing Org...		63.54
4180008	✓	✓			12/07/2018			2	Eastern Shires Purchasing Org...		63.54
4180007	✓	✓			28/04/2018			2	Eastern Shires Purchasing Org...		6.24
4180006	✓	✓			25/04/2018			2	Eastern Shires Purchasing Org...		8.35
4180005	✓	✓			25/04/2018			2	Eastern Shires Purchasing Org...		445.20
4180004	✓	✓			25/04/2018			39	FENLAND FIRST AID SERVICE...		30.00

2. Purchase Ledger

Switch Module > Purchase Ledger > Registers

The Purchase Ledger contains all records relating to your suppliers.

The Purchase Invoices Browse contains all purchase invoices and is where we create new Non-Order Invoices and Credit Notes.

2.1 Non Order Invoices (including DD's SO's, Debit/Procurement Cards and Petty Cheque Payments)

Follow this process when recording Non-Order Invoices, Direct Debits, Standing Orders, Debit/Procurement Cards and Petty Cheque Payments– the charge will then be seen on the Supplier Statistics report.

Switch Module > Purchase Ledger > Register > Purchase Invoices > Create > New Purchase Invoice

(Alternatively open an existing Purchase Invoice > click Create > Choose Duplicate to duplicate an existing invoice and amend the details)

The screenshot shows a software window titled 'New Purchase Invoice'. The window has a menu bar (File, Edit, Record, Window, Info) and a toolbar with icons for navigation and actions like 'Create', 'Cancel', and 'Save'. The form contains several input fields: 'No.', 'Name', 'Supplier', 'Hold Amount', 'TOTAL', and 'VAT'. There are also checkboxes for 'On Hold' and 'Prel. Booking'. Below these are tabs for 'Terms', 'Costs', 'Currency', 'VAT Rate', 'Comment', 'Accounts', and 'Inv. Address'. The main section contains fields for 'Invoice Date' (13/08/2018), 'Sup. Inv. No.', 'Receiving Date', 'Payment Terms', 'Signers', 'Discount Date', 'Transaction Date' (13/08/2018), 'Objects', 'Sett. Discount', 'Due Date', 'Reference', and 'Credit of Invoice'. A table with 15 rows and 8 columns (A/C, Objects, Short., Description, Item, Qty, Amount, V-Cd) is present. At the bottom right, there are calculated fields: 'Calculated Subtotal', 'Calculated VAT', and 'Calculated Total'. At the bottom left, there are fields for 'Currency', 'Withh. Tax', and 'Ext. Tax'.

- Supplier** CTRL Enter to choose the supplier for this invoice
- Total** Enter the Total Gross amount of the invoice including VAT.
- Invoice Date** The system will pre-populate with the current date, but should be overwritten with the suppliers invoice date.
- Payment Terms** CTRL Enter to choose the Payment Terms for this invoice if different to the default for this supplier.
e.g. Non order invoices/Petty Cheques - 30, DD/SO– DD, Debit/Procurement Card - CC.
- Due Date** Overtyping the due date if necessary, otherwise leave as per calculation from Payment Terms.
- Sup. Inv. No.** Enter the suppliers invoice number or meaningful reference for DD/SO's and Debit/Procurement Card.

Objects

If individual order rows are to be coded to different objects, input these on the Item rows; however, if the whole invoice is to be coded to just one object or combination of objects overall, then input these in the header .

Rows

CTRL Enter to choose the expenditure account and if applicable, the object/s. Enter the amount against each account row, also enter the VAT code for each row using CTRL Enter to choose the V-cd.

Description – defaults from Account code but can be overtyped.

Item – catalogue number/reference if required

Quantity – should always be 1 on each line

Amount – Net amount

VAT Cd – enter applicable code

You may code an invoice to more than one expenditure account or object but the transaction must balance to the Total figure in the top of the header.

If the VAT calculation varies, then enter the Invoice VAT amount in the VAT field in the Invoice Header. This VAT amount overrides the Calculated VAT figure.

Alternative Payee (Factor) If you wish the cheque to be made payable to an alternative payee select the 'Currency' tab. CTRL Enter in the 'Factoring' box which will display the list of Contacts. Select the Contact to be named on the cheque. See BACS guidance for payments via BACS

No.	Short	Cat	Name	Department	VAT Reg. No.	Bank A/C
25	EVOLU...	CH	Evolution plc		GB 705 1805 77	12345678
28	DAISY	CH	Daisy Chains Ltd		GB123 2467 123	12345678
29	TTS	CH	TTS			12345678
3	PCC	CH	Peterborough City Council			
30	RANSOMECH		Kevin Ransome		na	12345678
32	SCHO...	CH	School Fund		N/A	12345678
33	ESPO	BACS	Eastern Shires Purchasing Organ...		GB 705 1805 61	12345678
34	ESPO	BACS	Eastern Shires Purchasing Organ...		GB 705 1805 61	12345678
35	HOMEB...	CH	Homebase Ltd		GB 78 9456 21	

The payment will now be recorded against the supplier (e.g. Homebase) but the cheque will print the name of the alternative payee (e.g. John Smith.)

OK

If you have permission to authorise the invoice, tick OK. The invoice will not be posted to the Nominal Ledger until the OK box has been ticked.

Save

Saves the invoice, giving it a unique number on closure.

Invoices posted to Payment Term DD, CC and PC go straight to the Reconciliation Screen – no Payment processing required.

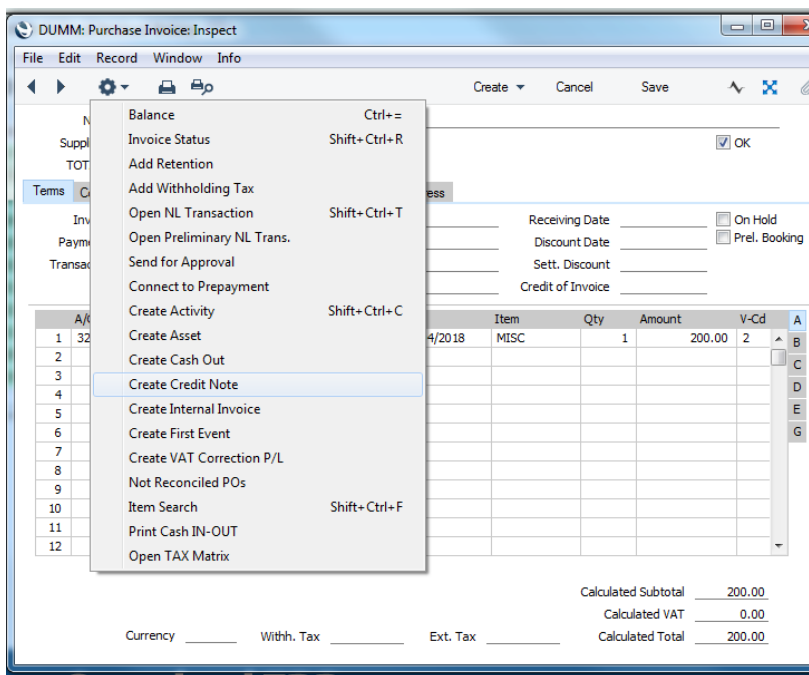
2.2 Credit Notes – Credit against Invoice (Cheque payment)

N.B CREDIT NOTES CAN ONLY BE RAISED AGAINST INVOICES THAT HAVE A PAYMENT TERM '7, 10, 14, 21 or 30 DAYS'

Invoices with payment terms DD, CC, PC, VA, P2, P3 are dealt with differently – see section 3.5

A credit note is generally a credit of an invoice already on the system. As this is the case, RM Accounts has made it extremely easy to credit an invoice (in whole or part).

Switch Module > Purchase Ledger > Register> Purchase Invoices – select invoice to be credited and double click to open the invoice record.



Operations (cog wheel) Create Credit Note. This creates a new Credit note record that is a complete credit of the invoice. Notice that the Payment terms will have changed to CN and the OK box is now un-ticked. Amend the details as follows:

Invoice Date The system will pre-populate with the current date, but should be overwritten with the Suppliers CN date.

Total Amend the total if Credit is partial credit.

Sup. Inv. No. Enter the supplier's credit note number.

Payment Terms The Pay Terms will have automatically changed to be the Credit Note pay terms. Do not change this; otherwise RM Accounts will think it's an invoice and not a credit note. In the image below, the Payment Term for Credit notes is CN.

- Due Date** This defaults to the Invoice Date above.
- Credit of Invoice** Note how the system keeps a track of which invoice (system generated number) this credit note relates to.
- Account/Object** If the credit is a partial credit amend the amounts against each of the Accounts so that it agrees with the credit note. If the credit is a whole credit of the invoice, leave Account rows unamended.

Note: DO NOT enter negative amounts; the Pay Terms field CN determines that it is a credit note.

- OK** If you have permission to authorise the credit note, tick OK. The credit note will not be posted to the Nominal Ledger until the OK box is ticked.
- Save** Saves the credit note. The system will give this credit note a unique number on closure.

2.3 Credit Notes – Credit entered manually to correct a mistake or for recording Lost/Returned Cheques

If a credit is to be entered that is not an actual credit note against an existing invoice, the procedure is similar to entering a Non-Order Invoice except for the Payment Terms which will be 'CN'

Select Module > Purchase Ledger > Register > Purchase Invoices > Create > New

- Supplier** CTRL Enter to choose the supplier for this credit
- Total** Enter the Total Gross amount of the credit including VAT.
- Invoice Date** The system will pre-populate with the current date, but can be overwritten.

Sup. Inv. No.	Enter a meaningful reference. e.g. Lost cheque No XXXXXXXX
Payment Terms	CTRL Enter to choose the pay terms for the credit – CN . <i>This is important so that RM Accounts recognises this as a credit (note) and not an invoice.</i>
Due Date	Defaults to Credit date as above, leave as is.
Objects	If individual item rows are to be coded to different objects, input these on the Item rows, however, if the whole credit is to be coded to just one object or combination of objects overall, then input these in the header .
Rows	CTRL Enter for the expenditure account and if applicable, the objects. Enter the amount against each Account row. Also enter the VAT code for each row using CTRL Enter to choose the V cd Description – defaults from Account code but can be overtyped. Item – catalogue number/reference if required Quantity –always 1 Amount – Net amount VAT Code – enter applicable code You may code a credit to more than one expenditure account or object but the transaction must balance. The Amounts against all of the rows plus the calculated VAT must equal the Total figure in the top of the header. If the VAT calculation varies, then enter the Credit VAT in the VAT field in the Invoice Header. This VAT amount overrides the Calculated VAT figure.
OK	If you have permission to authorise the credit, tick OK. The credit will not be posted to the Nominal Ledger until the OK box has been ticked
Save	Saves the credit note. RM Accounts will give this credit (note) a unique number.
Payment (see below)	To be able to reconcile the credit against the original cheque, create a payment suggestion for the credit note only – back space out all other lines that may be included. Enter the original cheque number onto ‘Flip C’ for ease of reference on the reconciliation screen.
Order/OK/Save	As a cheque/remittance does not need to be produced the payment can be Ordered, OKed and saved for the transaction to show on the reconciliation screen.

Both the original cheque and the credit note can now be reconciled against each other with zero affect to the bank balance.

To re-issue the cheque, create a new non-order invoice or duplicate the original invoice (remember to check the date) and pay in the usual way.

2.4 Crediting Direct Debits, Petty Cash Payments, Credit card payments, VA payments

See section 3.5

3. Purchase Ledger - Payments

Paying suppliers can be achieved in various ways. The different processes in RM Accounts are detailed in 3.1 (automated selection) and 3.2 (manual selection), both lead to the creation of Remittances or Cheques in section 3.3.

3.1 Suggested Payments

This method allows the user to let RM Accounts locate the purchase ledger and find what it thinks is due for payment. The suggested payments may then be edited.

Switch Module > Purchase Ledger > Registers > Payments–Cog wheel > Create Payments Suggestion.

If the 'From due date' and 'To due date' fields are left blank all unpaid invoices will be shown. Any unwanted invoices may be removed by highlighting and pressing the backspace key.

Payment Mode CTRL Enter to select the payment mode e.g. choose CH for cheques from Current account

Pay Date CTRL Enter for the date of the payment, typically today's date. **Do not leave blank**

We advise not to tick "one supplier per payment" as this will create one payment per supplier whereas you usually want all the suppliers on one payment.

Incl. Credit invoices – defaults with a tick

Sorting Select a sort order – recommended Supplier Name (alphabetical).

Click Run - this will add a new row on the Payments Browse screen – see below

No.	Ord.	OK	Trans. Date	Reference	Sum	Cur.
3180003			13/08/2018			227.70
3180002	✓	✓	09/08/2018			196.46
3180001	✓	✓	25/07/2018			63.54
3170012	✓	✓	25/01/2018			1010.74
3170011	✓	✓	08/12/2017			445.20
3170010	✓	✓	19/09/2017			240.00
3170009	✓	✓	19/09/2017			120.00
3170008	✓	✓	19/09/2017			120.00
3170007	✓	✓	19/09/2017			12.00
3170006	✓	✓	19/09/2017			120.00

Double click or Enter on the highlighted row to open the Payment for editing.

No. 3180003 Payment Date 13/08/2018 Trans. Date 13/08/2018 Ordered
 Payment Mode CH Own Bank A/C _____ Sort Code _____ OK
 Reference _____ Supp. Info on Trans. Language _____
 Comment Current Account Select Invoices

Invoice No.	Supplier	Text	B. Cur.	Bank Amount	S. Cur.	Sent Value
1	2180008	2	inv 123789, Eastern Shires Purchasing C	227.70		227.70
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						

Currency _____ Withdrawn 227.70

The payment is not Ordered and not OK'd: It may now be edited – remove unwanted invoices/credits.

At this point SAVE but DO NOT click Ordered or OK

Payments Journal

When any required amendments have been made and the payment list is complete, if authorisation is required create a Payments Journal;. **Remember the payment number or copy it into the computer's memory using Ctrl C.** Now go to **Purchase Ledger > Reports > Payments Journal** –

Type in the payment number or post from the computer's memory using Ctrl V,

Period – current year

Payment mode – e.g. CH for current account

Status - “Not Ordered”

Sorting - Supplier Name

Media - Screen

Run.

Supp.	Pay Date	Inv. Date	Inv. No.	Type	Ser. No	Cheque No	Amount
Eastern Shires Purchasing Organisation	13/08/2018	13/08/2018	2180008	P/INV	3180003		227.70
						Total	227.70
CH	Cheques					227.70	
	Total					227.70	

Currency totals not including fees or writeoffs

This may be printed using the printer icon in the Header Section of the form. It can then be signed off and retained as required.

The next stage is detailed in Section 3.3.

3.2 .Manually Paying Suppliers

This method is used to manually select the invoices to be paid. It can be used with Remittances (Handwritten cheques) and Electronic Cheques with remittances.

Switch Module > Purchase Ledger > Registers> Payments >Create > New Payment

Invoice No.	Supplier	Text	B. Cur.	Bank Amount	S. Cur.	Sent Value
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						

Payment Date Enter the date of the payment, or CTRL Enter to select from the calendar.

Payment Mode CTRL Enter to select the payment mode.

Optional - Enter a reference for this payment, the system will assign a unique number later. The reference field is shown in the payments browse window making it easy to find a payment with a particular reference.

Supp. Info on Trans Leave this box ticked so that supplier information will be transferred to the nominal ledger.

CTRL Enter to select the invoices to be paid. Only unpaid invoices are shown here. Invoices from different suppliers can be selected; RM Accounts will sort out the payments. If a supplier has sent a credit note, it may be part of the payment selection – this will reduce the total being paid to the supplier as long as the overall amount for that supplier is not negative.

Once you have pressed CTRL Enter to open the list of invoices, leave that window open and then you can simply drag across to the payments window the invoices you want to pay. You don't have to keep returning to the payments window and pressing CTRL Enter for each invoice.

Payment Journal

If authorisation is required, save the payment, remembering its number or copying it into the computer's memory then create a payments journal as outlined as in the Suggested Payments Section 3.1 above. **The next stage is detailed in Section 3.3.**

3.3 Remittances/Cheques

RM Accounts is able to print Remittances (for hand written cheques) or Remittances with Electronic cheques. If you wish to change the layout of the cheque payment forms, please contact Schools Finance.

Whether printing remittances and manually writing a cheque or printing remittances with cheques using RM Accounts, the routine is the same.

Having prepared the payment, go to

Purchase Ledger > Forms > Payment Forms

Enter the payment number or if it was copied into the computer's memory, paste it in here CTRL V. Several payments may be entered here, each separated by a comma.

Enter the next number in the sequence of electronic cheque stationery or cheque book.

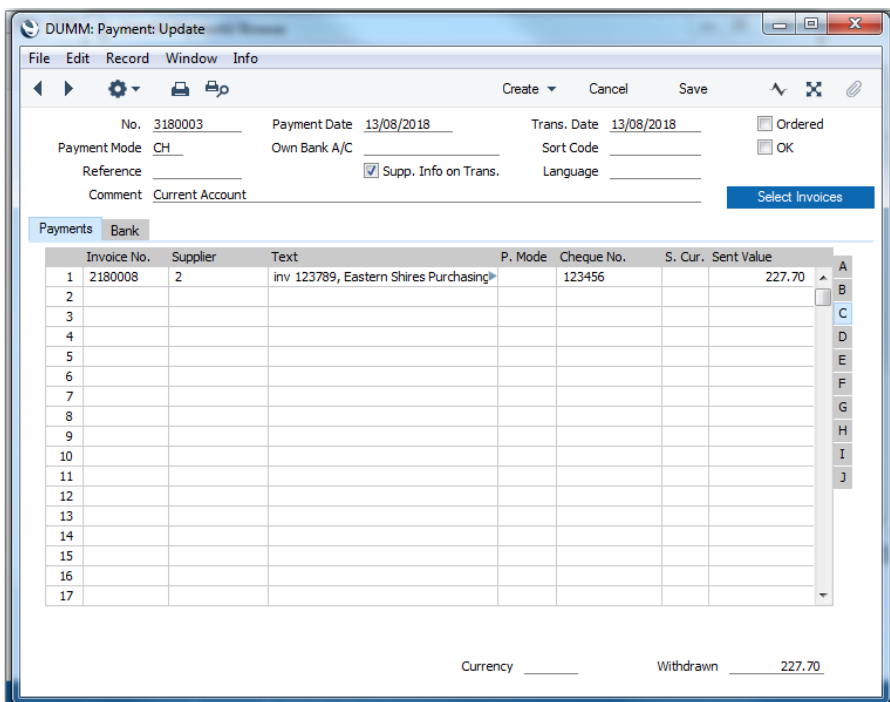
Leave as "Unprinted only" the first time this routine is run. Select "All" if you have made a mistake in the cheque numbers but haven't yet written or printed any for this payment.

Defaults to Payment per Supplier

Leave the default as Printer to print the remittances or remittances with cheques.

This will print out your remittances or remittances with cheques.

Now return to the original payment. **Switch Module > Purchase Ledger > Registers > Payments** and open the payment you've just made. **Go to Flip C.**



You will see that the cheque numbers have been entered on the Payments tab – Column - Cheque No.

N.B. If using handwritten cheques, use this screen to see which cheque number goes with which supplier. Alternatively print out the payment journal for the payment as below.

If printing remittances with Electronic Cheques, make sure the print run was successful and check that the cheque numbers on the actual printed cheques agree with the cheque numbers showing on Flip C.

3.3.1 Remittances/Cheques - Payment Journal

Switch Module > Purchase Ledger > Reports > Payment Journal – type in the payment number or retrieve from the computer’s memory (CTRL V), tick the Status of ‘Not Ordered’, select either an overview report by Payment number or sorted by Supplier (Code or Name). Select ‘Screen or Printer > **Run**.

If the remittances with cheques get jammed in the printer or get spoiled, then you can re-print the remittances with different cheque numbers and this will re-print the whole payment.

To do this go back to **Purchase Ledger > Forms > Payment Forms**, input Payment number and enter the next number in the sequence of electronic cheque stationery.

Choose the status of **“All”** in the payment forms.

If it is just the last few cheques that have been spoiled or a hand written cheque has been wasted then go to the Purchase Ledger>Register Payments>Select and open the Payment, remove the spoiled invoices/suppliers from the payment by highlighting the row and pressing the backspace key on your keyboard. You will see that the row is removed, the amount of the overall payment is reduced and the invoice/s will be available for payment again.

Click **Save**

You will then have to create another payment for these invoices/suppliers and repeat the process.

When the cheques have been written or the remittances with cheques have been printed, **tick Ordered and OK** boxes on the Payment and **Save**. The act of ticking Order & OK posts the payments to the Purchase Ledger and Nominal Ledger. **You cannot now change the cheque numbers or remove items from this payment so only Order & OK a payment once you are happy with the cheques.**

3.4 Credit (Procurement) Card Processing

Invoices

To enable Credit (Procurement) card expenditure to be linked to suppliers each transaction will need to be entered in one of two ways:

1. When a goods receipt has been created for the Purchase Order, create a purchase invoice (see 1.4) in the Purchase Order Module.
2. Create Non-Order Invoices (see 2.1) in the Purchase Ledger Module

Use option 1 when a Purchase Order has been raised, goods received and paid for with a Debit/Credit card e.g. Internet purchases.

A/C	Objects	Short.	Description	Item	Qty	Amount	V-Cd
1	31405	04000	Broom	MISC	1	5.99	1
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							

Create Goods receipt Section 1.3

Create Purchase Invoice – **choose Payment Terms CC** – Section 1.4

The cost will go straight to the Procurement Card Balance Sheet code and no Payment or Cheque Requisition is needed. The charge will also be correctly recorded against the Suppliers records.

Use option 2 for non order items purchase. **Be sure to calculate any inclusive VAT element of the total cost for each supplier.**

Create Non Order Invoice – Section 2.1

Ensure you select CC in the Payment Terms field.

DUMM: Purchase Invoice: New

File Edit Record Window Info

Supplier 6 Name Amazon

TOTAL 120.00 VAT 20.01

Invoice Date 13/08/2018 Sup. Inv. No. inv 326598 Receiving Date On Hold
 Payment Terms CC Signers Discount Date Prel. Booking
 Transaction Date 13/08/2018 Objects Sett. Discount
 Due Date 13/08/2018 Reference Credit of Invoice

A/C	Objects	Short.	Description	Item	Qty	Amount	V-Cd	A
1 31204	04000		Health and Safety Eqpt		1	99.99	1	
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								

Calculated Subtotal 99.99
 Calculated VAT 20.00
 Calculated Total 119.99

Currency With. Tax Ext. Tax

3.5 Credit Notes – Credit against Debit/Procurement Card/Direct Debit/Petty Cash & VA Invoices

To process a credit for Procurement Card, Direct Debit, Petty Cash or VA account invoices:

Switch Module > Purchase Ledger > Registers> Purchase Invoices > Create> New Purchase Invoice

DUMM: Purchase Invoice: New

File Edit Record Window Info

Supplier 6 Name Amazon

TOTAL -120.00 VAT -20.01

Invoice Date 13/08/2018 Sup. Inv. No. credit from Amazon Receiving Date On Hold
 Payment Terms CC Signers Discount Date Prel. Booking
 Transaction Date 13/08/2018 Objects Sett. Discount
 Due Date 13/08/2018 Reference Credit of Invoice

A/C	Objects	Short.	Description	Item	Qty	Amount	V-Cd	A
1 31204	04000		Health and Safety Eqpt		1	-99.99	1	
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								

Calculated Subtotal -99.99
 Calculated VAT -20.00
 Calculated Total -119.99

Currency With. Tax Ext. Tax

In the Total Box – type minus figure

Payment Terms CC/DD/PC/VA as appropriate

Amount – type minus figure.

If adjusting VAT field in the Header section to correct calculated VAT figure – type minus figure here.

OK and Save.

Alternatively the original invoice can be duplicated (check date!) and the Total and Amount changed to minus figures

If a replacement charge is required process a new invoice in the normal way.

4.0 Petty Cash

There are two main elements to the Petty Cash Process.

Reimbursement – Topping up the fund

Purchases and the resulting payments

4.1 Petty Cash – Reimbursements (Topping up the Petty Cash tin)

These are processed as a non order Invoice, see Section 2.1.

These are the things specific to this type of entry

Supplier Ctrl Enter to select Cash 1

Sup.Inv.No Enter a meaningful reference. e.g. Petty cash top up Sep.

This will show on the Payments Browse Screen and will be useful when reconciling the Bank

Rows -**A/C** Ctrl Enter to select the Petty Cash bank account code. e.g. 91403

-**Object**, there is no object for this balance sheet code.

-**Description**, Enter a meaningful description and MISC in the Item field.

-**Amount**, Enter the amount of the reimbursement.

The process for raising the payment and issuing the cheque is the same as for other non-order invoices. It can be either part of a suggested payment Section 3.1, or it may be manually selected Section 3.2 : both processes to be followed by Section 3.3 to create the cheque.

Once the cheque has been cashed, the resulting money should be stored in the petty cash tin and is available to make petty disbursements in the usual way.

4.2 Petty Cash – Purchases and Payments to staff

These are processed as a non order Invoice, see Section 2.1.

Set up the non – order invoice in the usual way, using the appropriate account code and object.

Use Payment Terms – **PC**

DUMM: Purchase Invoice: New

File Edit Record Window Info

No. _____ Name Homebase Ltd

Supplier 35 Hold Amount _____ OK

TOTAL _____ VAT _____

Terms Costs Currency VAT Rate Comment Accounts Inv. Address

Invoice Date 13/08/2018 Sup. Inv. No. vch 345 Receiving Date _____ On Hold

Payment Terms PC Signers _____ Discount Date _____ Prel. Booking

Transaction Date 13/08/2018 Objects _____ Sett. Discount _____

Due Date 13/08/2018 Reference _____ Credit of Invoice _____

A/C	Objects	Short.	Description	Item	Qty	Amount	V-Cd	A
1 31901	01000		glue sticks x 5		1	10.00	1	^
2								B
3								C
4								D
5								E
6								G
7								
8								
9								
10								
11								
12								

Calculated Subtotal 10.00

Calculated VAT 2.00

Calculated Total 12.00

Currency _____ With. Tax _____ Ext. Tax _____

The cost will go straight to the Petty Cash Balance Sheet code and no Payment or Cheque Requisition is needed. The charge will also be correctly recorded against the Suppliers records.