Booklet 3

Guidance Notes

Sales Ledger

(Revised Aug 2018)

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1.0 Sales - Processing

The Sales Ledger Module contains everything to do with the sale of goods or services, from raising invoices to receiving payment and chasing outstanding debts.

The Sales Ledger contains all records relating to customers. There are 3 Registers:

Invoices - this register contains all Sales invoices and is where new Sales Invoices and Sales Credit Notes are created.

Contacts – this register contains all the customers details on the RM Accounts system and is where new customer contact details are created. *It also holds all the contact records for suppliers.*

Receipts - this register contains all receipts to customers and is where new Customer Receipts are created.

1.1 Sales Invoices

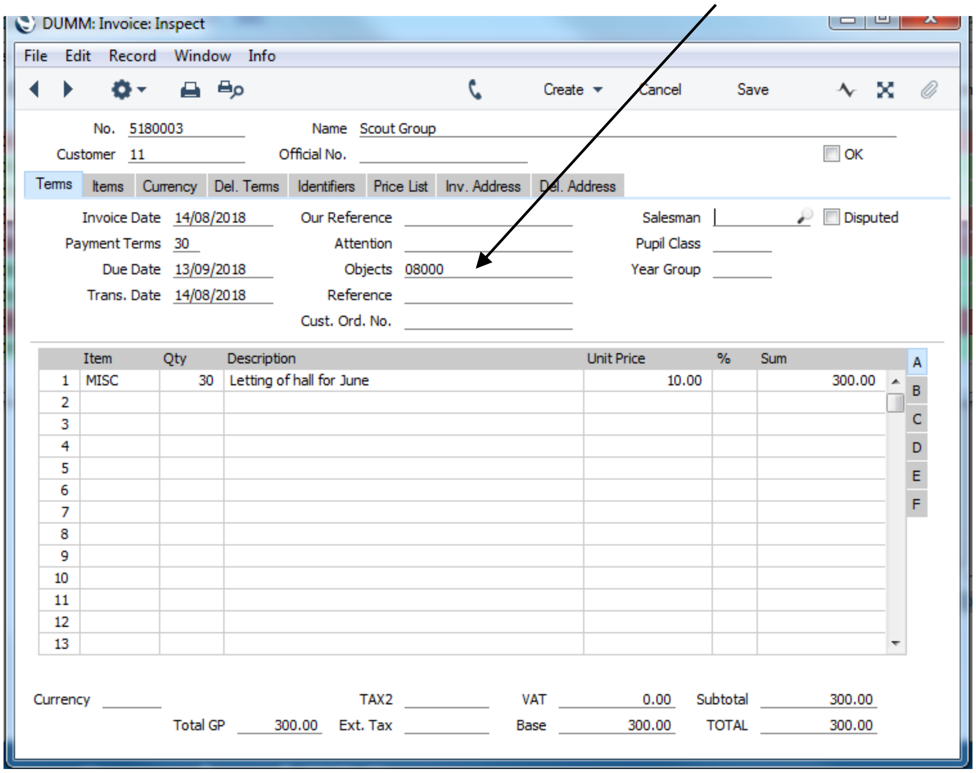
To create a new sales invoice select:

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

(You can also open an Invoice from the browse list > Create > Duplicate to duplicate an existing invoice and amend the details, however, if any of the contact details have changed it will reproduce the details as per the invoice being duplicated and will not include amendments)

Customer	CTRL Enter to choose the Customer for this invoice
Tip :	After using CTRL Enter you may find it easier to have this window sorted in ‘Name’ order (click on name column heading) and to save this, go to the menu at the top – select > Window > Save Normal position. Then whenever you CTRL Enter for the customer, you can type in the name of the customer, hit Enter on the keyboard and RM Accounts will take you to that customer.
Invoice Date	Enter the date or CTRL Enter to select the date from Calendar
Payment Terms	CTRL Enter to choose the payment terms for this invoice if different to the default for this customer.
Due Date	Amend the due date if a different date is required from the calculated date from the payment terms.

Objects If the invoice items are to be coded to just one object overall then enter the object in the header. If each line of the invoice is to be coded to a different object code, this information can be entered at the next stage **on Flip B** (see below) so leave this field blank.



Item select 'MISC' item and overtyping in the description field.

Qty Enter the quantity of the item, e.g. if a letting is charged by the hour enter the number of hours. If charged as a total for the event enter '1'.

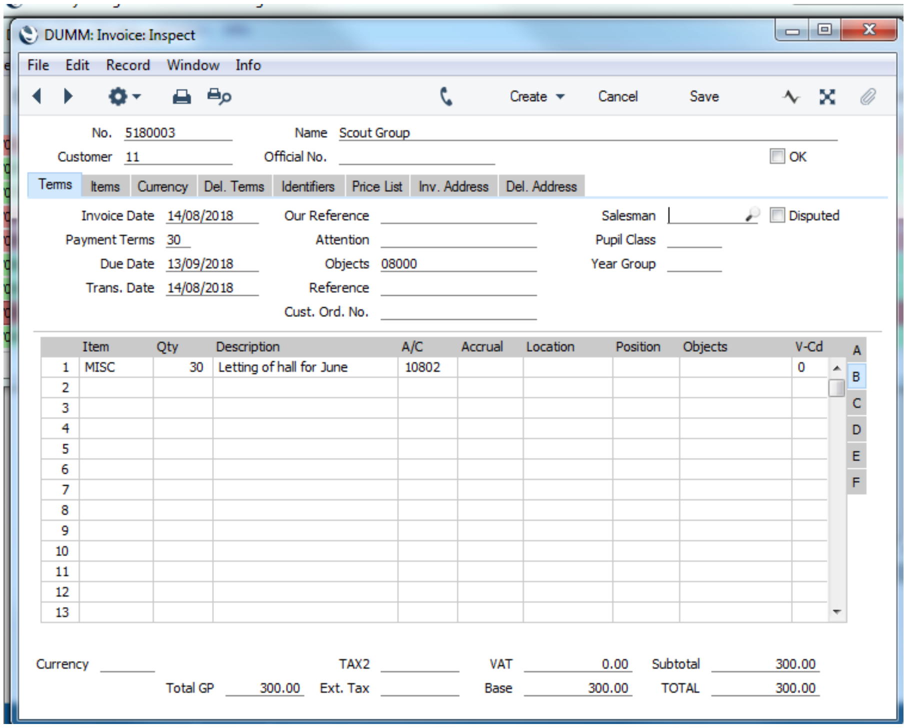
Description Amend the description

Unit Price Enter the unit price. This is the price each, net of VAT, e.g. hourly rate

% Enter the % discount for this item if applicable

Repeat above for more items on consecutive rows – **you cannot leave a blank row.**

Then go to Flip B of the invoice (click the letter B on the right hand side.)



A/C CTRL Enter for the Income Account.

Objects CTRL Enter for the object required for this item if not completed in the header section. *You cannot have an object in both the header section and individually in the Object column on Tab B*

V-Cd Enter or amend the VAT code for this item – CTRL Enter for list.

Inv Address Select this tab if you wish to edit/change the address for sending the invoice

OK When the invoice is complete and you have permission to authorise the invoice, tick OK. *If authorisation needs to be obtained a copy of the invoice may be printed at this stage and saved* ***without*** *ticking the OK box*. **The invoice will not be posted until OK is ticked and the Invoice is saved.**

Save Finally, click Save to save the Invoice. RM Accounts will give this Invoice a unique number. Once the Invoice is saved you can print the Invoice using the printer icon at the top of the Invoice.

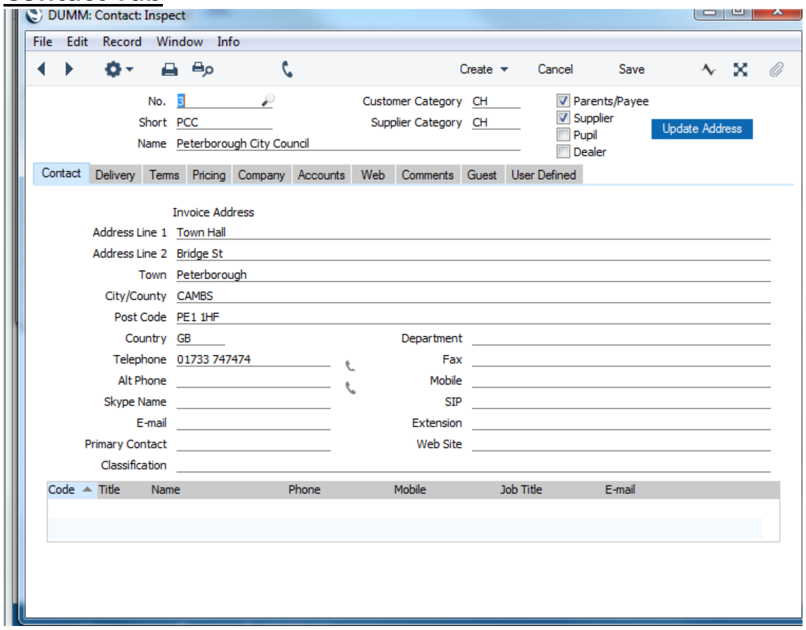
1.2 Setting up Contacts – Customers

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

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

Switch Module > Sales Ledger > Contacts > Open a contact and Create > Duplicate.
There are several tabs and fields for a contact record. The important tabs are Contact; Terms and Company.

Contact Tab



No. The system automatically designates a unique consecutive number here

Customer Category CTRL Enter to select the receipt option e.g. CH, BACS, Direct Debit.

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

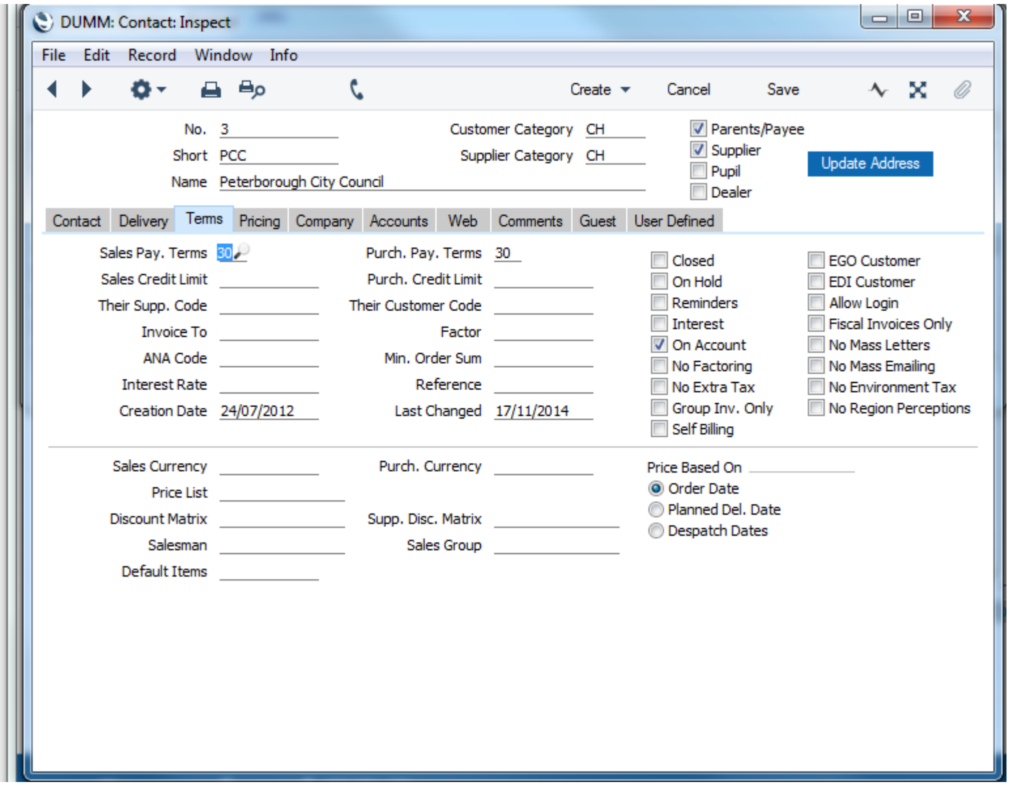
Name Enter Customer name

Parents/Payee Tick the Parents/Payee tick box if the contact is a **Customer**

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

Complete the remaining fields, Address, Telephone etc. as comprehensively as possible. If the delivery address is different select the '**Delivery**' tab and complete details.

Terms Tab



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

Invoice To (Sales) CTRL Enter here to select the contact record if you send invoices to another contact record. If not, leave blank.

Company Tab

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

VAT Reg. No. - Enter the customer's unique VAT registration number if applicable

Cost A/C CTRL Enter > Select an account from the Chart of accounts list if the income from the customer will always apply to one specific account e.g 10805 for a letting, If not, leave blank.

Sales Objects CTRL Enter > Select 08000 (General Income) from the list of objects as a default. This can be overwritten.

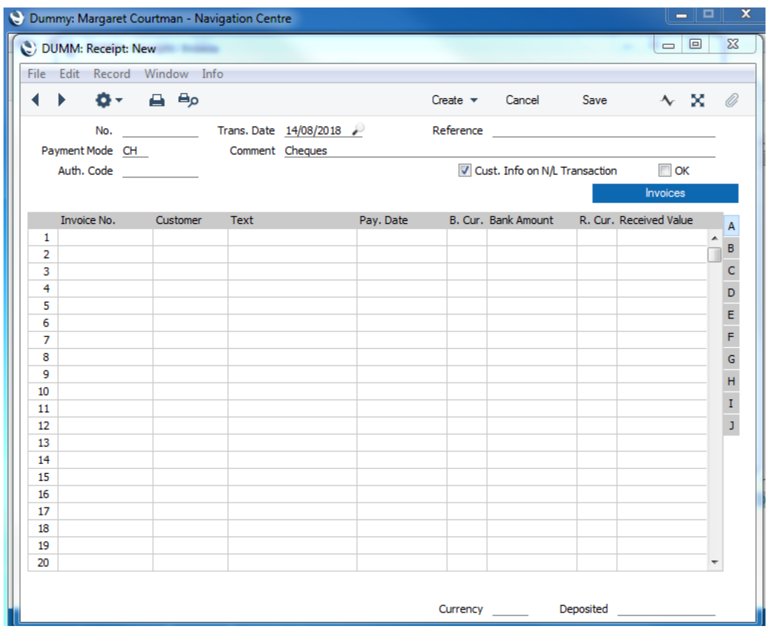
Save the record

1.3 Sales Receipts

As you receive payment (electronic funds, cheques or cash) for sales invoices, you need to receive the money against the Sales Invoices so that RM Accounts knows the Invoice has been paid. This process takes place in the Receipts register.

Do not receive money for Sales Invoices through the Nominal Ledger as it will not pay and complete the invoice in the Sales Ledger and will double account the income.

Switch Module > Sales Ledger > Registers > Receipts – Create > New Receipt



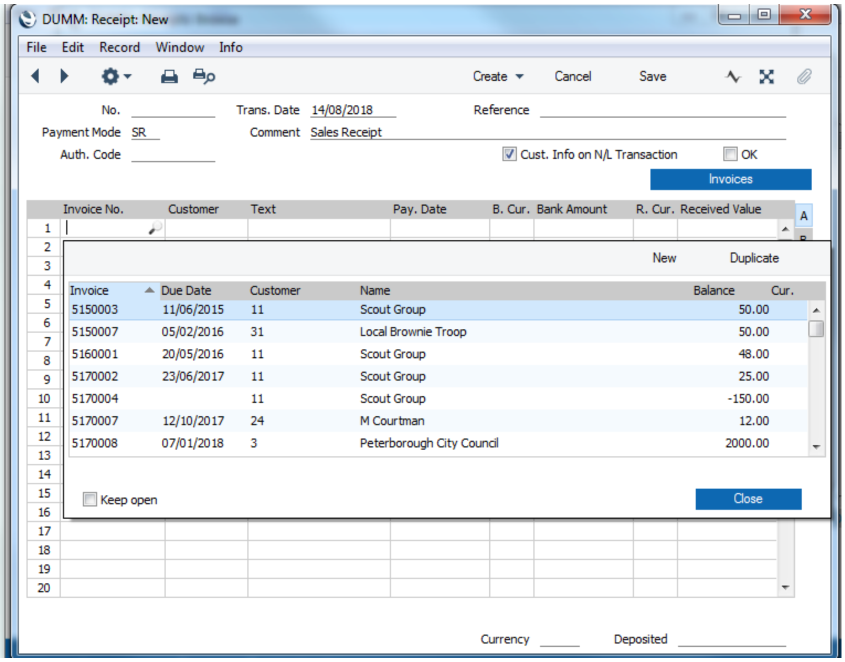
Trans. Date Enter the date of the receipt

Comment Use bank paying in slip reference if applicable (this then shows in the description on the reconciliation screen.

Payment Mode CTRL Enter to select the payment mode, **SR gives the option to print a receipt**

Inv. No. CTRL Enter to select the Sales invoices that are being paid.

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



Received Value. The amount of the invoice automatically appears in here, if you want to part receive an invoice then overtype the amount here.

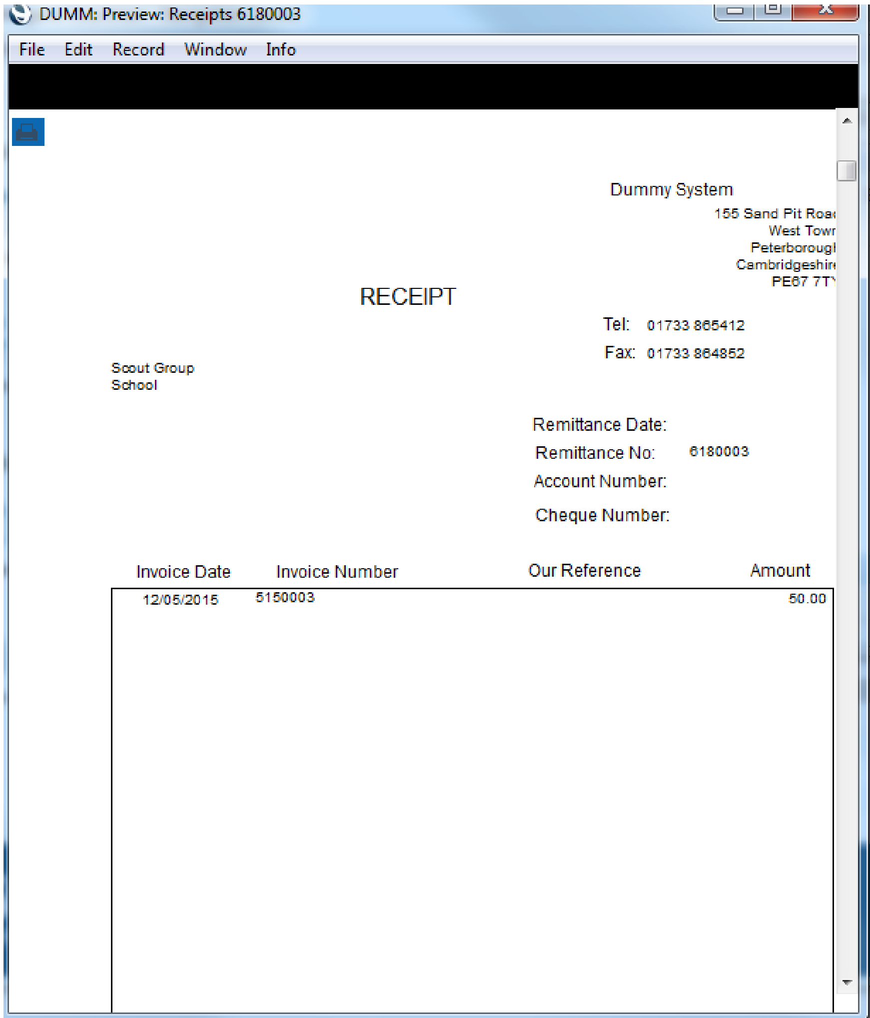
Tip: ***The total amount of the receipt will show in the Bank reconciliation and so it is good practice to have a receipt per paying in slip so that it will match the bank statement.***

OK Once you have finished the Receipt, and you have permission to authorise the Receipt, tick OK. The Receipt will not be posted until OK has been ticked and the Receipt is Saved. **N.B. Once the receipt has been OK'd it cannot be changed in any way so do not click OK until you are absolutely sure that everything is correct.**

Save Finally click Save to save the Receipt. RM Accounts will give this Receipt a unique number.

Optional: To print off a receipt for all your customers in this Sales Receipt transaction you need to note the Unique Receipt number that RM Accounts allocated to this transaction.

Go to **Switch Module > Sales Ledger > Forms > Receipt Forms** – enter the Receipt No. in the "No." field, choose 'All' and 'Media Type' (Print or Screen) and then click 'Run'.



1.4 Sales Credit Notes – Credit of Sales Invoice

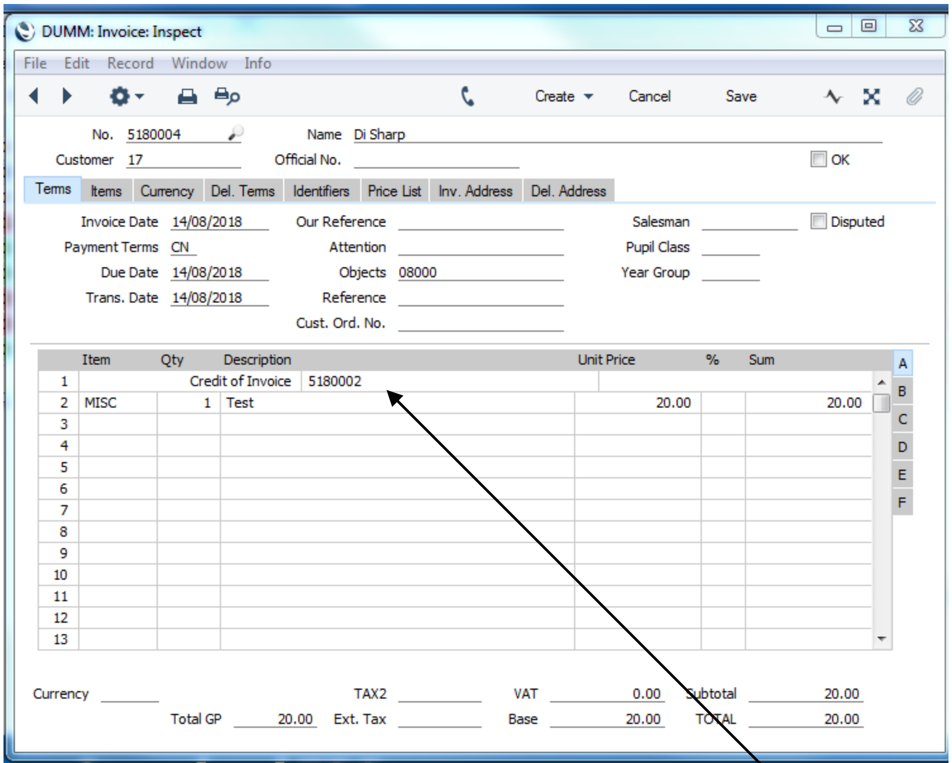
A Sales credit note is generally a credit of a Sales invoice already on the system. RM Accounts has made it extremely easy to credit an invoice (in whole or part).

Switch Module > Sales Ledger > Registers> Invoices – select the invoice that is to be credited and double click to open the invoice record.

Then click **Create > Credit Note**. This creates a new Credit note record that is a complete credit of the invoice. Amend the details.

Invoice Date Enter the date of the credit note or CTRL Enter to select date from Calendar

Payment Terms The Payment Terms will automatically change to **CN** - the Credit Note payment terms. **<u>Do not change this</u>** or RM Accounts will process an invoice and not a credit note.



Due Date This defaults to the Invoice Date above.

Credit of Invoice Note how the system keeps track of which invoice this credit note relates to.

Item If the credit is a partial credit, delete the items that are not to be credited by highlighting the whole row (click on the row number) and pressing the backspace key on the keyboard. It is also possible to amend the quantity and unit price for partial credits. If the credit is a whole credit of the invoice, leave Account rows as they are.
If details are amended it will change the Credit Note from 'Inspect' to 'Update'.

Note: You do not have to enter negative amounts here as the 'Payment Terms' field determines whether it is a credit note or invoice.

OK If you have permission to authorise the credit note, tick OK.

Save Finally click Save. RM Accounts will give this credit note a unique number and it will be posted to the Nominal Ledger.

1.5 Credit Notes – entered manually

If a credit note is to be entered that is not related to a current year invoice, it can still be entered on RM Accounts, e.g. write offs. The procedure is similar to entering an Invoice.

Switch Module > Sales Ledger > Registers > Invoices > Create > New Invoice
(You can also open an existing Invoice > Create > Duplicate)

Customer CTRL Enter to choose the Customer for this Credit Note

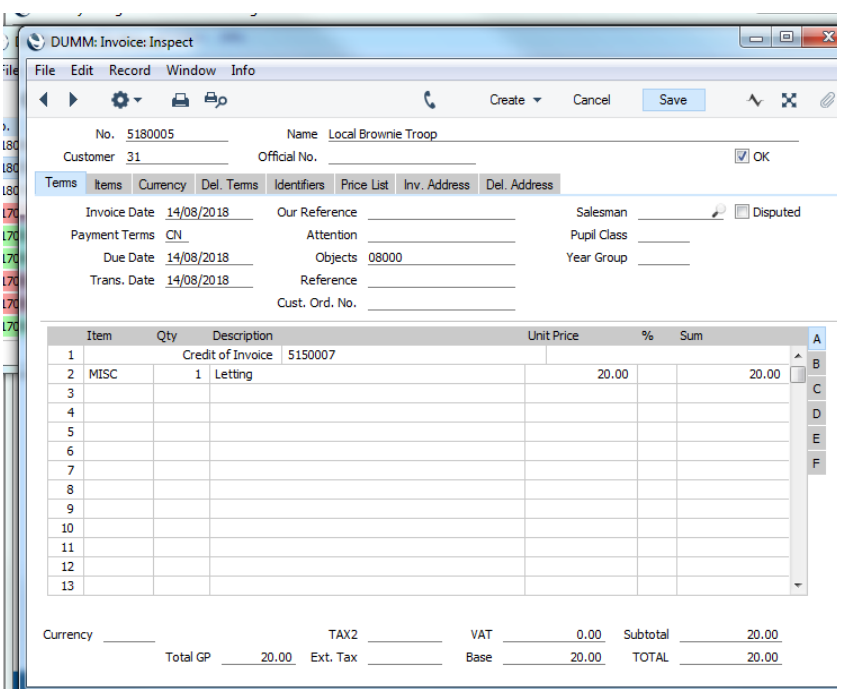
Invoice Date Enter the date or CTRL Enter to select date from Calendar

Payment Terms CTRL Enter to choose the payment terms for credit notes – CN. This is important as it is the choice of payment terms that determines whether this is a credit note or an invoice.

Due Date Amend the due date if a different date is required from the calculated date from the payment terms. This is usually the same as the Invoice date field.

Objects If the credit is just to be coded to one object overall then enter the object in the header. If each line of the credit is to be coded to a different object code, this information can be entered at the next stage on Flip B so leave this field blank.

Item Row 1 – Type in the number of the Invoice number to be credited. Now select the items to be credited by either typing in the item number or selecting the pre-loaded "MISC" item and then overtyping the description.



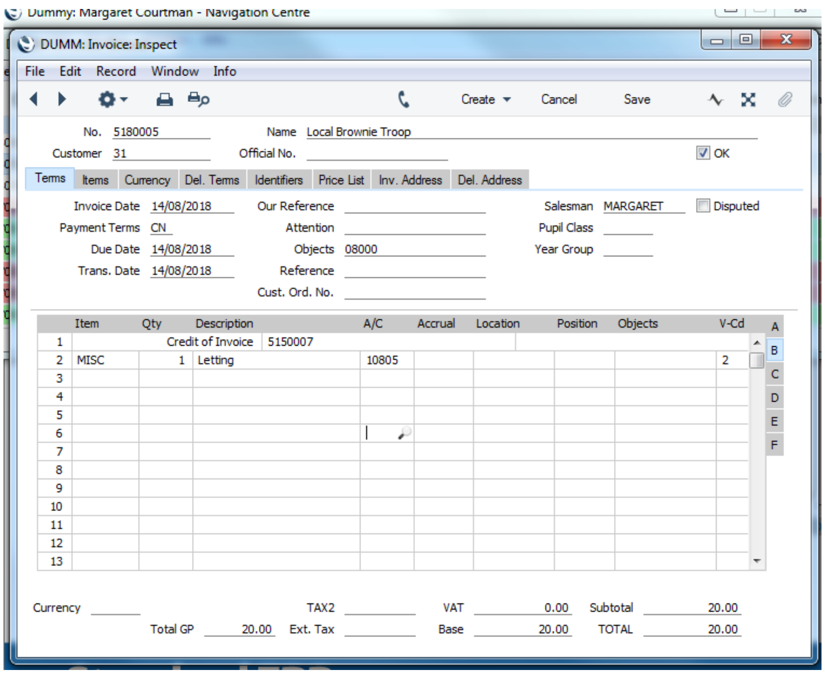
Qty Enter the quantity of the item/s to be credited

Description Amend the description if crediting a "MISC" item

Unit Price Enter or amend the unit price as necessary. This is the price each, net of VAT.

% Enter the % discount for this item.

Repeat above for more items on consecutive separate rows – you cannot leave a blank row. **Then go to Flip B of the Credit Note** – click the letter B on the right hand side.



A/C CTRL Enter for the Income Account to be Credited.

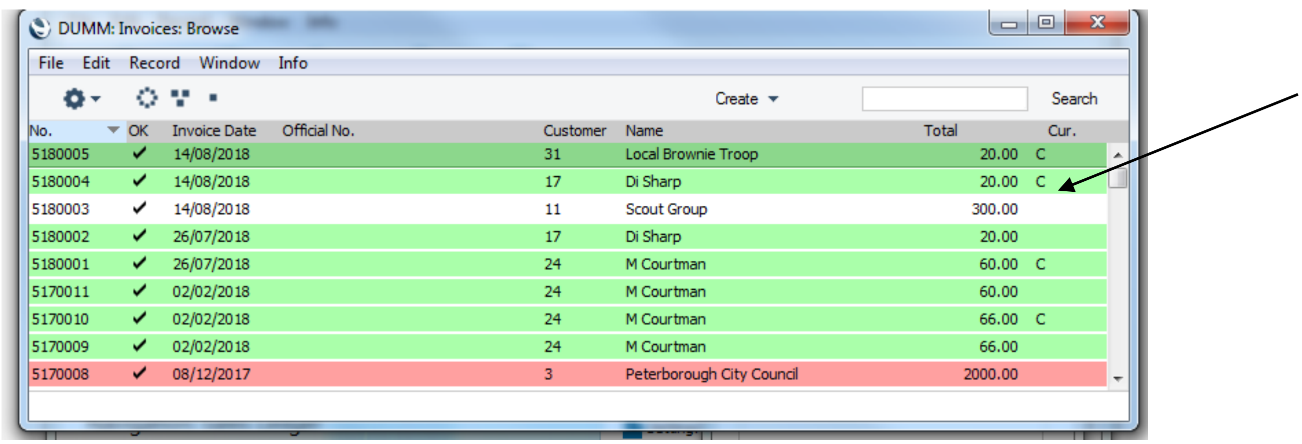
Objects CTRL Enter for the object required for this item if not included previously in the header on Flip A

V-Cd Enter or amend the VAT code for this item – CTRL Enter for list.

OK When all information has been entered and you have permission to authorise the Credit Note, tick OK. The Credit Note will not be posted until the OK box has been ticked and the Credit Note is Saved.

Save Finally click Save to save the Credit Note. RM Accounts will give this Credit Note a unique number.

The credit note is included in the list of invoices with a 'C' to the right of the total figure.



DUMM: Invoices: Browse

File Edit Record Window Info

Create Search

No.	OK	Invoice Date	Official No.	Customer	Name	Total	Cur.
5180005	✔	14/08/2018		31	Local Brownie Troop	20.00	C
5180004	✔	14/08/2018		17	Di Sharp	20.00	C
5180003	✔	14/08/2018		11	Scout Group	300.00	
5180002	✔	26/07/2018		17	Di Sharp	20.00	
5180001	✔	26/07/2018		24	M Courtman	60.00	C
5170011	✔	02/02/2018		24	M Courtman	60.00	
5170010	✔	02/02/2018		24	M Courtman	66.00	C
5170009	✔	02/02/2018		24	M Courtman	66.00	
5170008	✔	08/12/2017		3	Peterborough City Council	2000.00	

1.6 Returned Cheques

Occasionally a Cheque is ‘Returned to Drawer’ and will appear on the bank statement as un-presented. To process:

- Create a Nominal Ledger transaction with Text/Reference ‘Returned Cheque re Invoice 518XXX’
- CREDIT the bank (91401) and DEBIT the Income Code (e.g. 10805)
- Create a new invoice to the customer and include in the description that it is a replacement of previous invoice due to returned Cheque and reference to NL Transaction.
- Receipt as above on receipt of replacement Cheque.