# USER GUIDE
# CASH FLOW

Exact Globe

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# WELCOME TO EXACT GLOBE

This manual provides the information you need to work effectively with Exact Globe Next. It is part of the series of user manuals for Exact Globe Next. The goal of this documentation is to help you to get quickly acquainted with the product and the possibilities it offers. It will help all users, especially those without much experience with our software, to get started with and benefit from the product straightaway.

Exact Globe Next is an integrated software solution; its modules of related business processes function together in an integrated manner. Besides the user manuals, there are several information sources, related to the software, available to you. You can access online help documents on Exact Globe Next functionalities while working with the software by just pressing the F1 key. The list of help document also contains release notes related to the product. They inform you of the improvements and functional additions in the various releases of the product.

You can also access the help documents, release notes, and other related documents online through the Exact Customer Portal on www.exact.com. The Customer Portal is a protected part of the Exact Software internet site, which has been specially developed to provide you with information and to help you get the maximum yield from your software. This portal informs you about our contacts, downloads, FAQs, and the latest product news. We invite you to use the portal as often as you wish!

Thank you for using Exact Globe Next and this user manual!

# INTRODUCTION

The health of an organization is measured by the liquidity of its assets. The ability to quickly convert its assets to cash ensures its survival in bad times. Being able to manage the organization's cash flow is an important factor in ensuring cash liquidity.

The **Cash Flow** module of Exact Globe Next helps to effectively balance and reconcile an organization's bank statements as well as track the inflow and outflow of cash. This will help in determining the cash status of the organization at any point in time.

The advantages of **Cash Flow** are:

- **Making cash flow information available in real-time at one central location**
  Payment commitments and conditions are recorded at the source of the action. For example, the entries of purchase orders, sales orders, rentals, and employee salary payments are registered together with the terms of payment and due dates. This gives a clear insight on incoming and outgoing payments at any time. The instant processing of transactions and payment details means reports will always reflect the current situation.
- **Powerful and flexible matching feature**
  The task of matching an organization's cash movement with its invoices is a complex task. **Cash Flow** helps to make this task easier by providing automatic and manual matching of transactions. This way, an organization has the flexibility to determine the payments made or received for the relevant sales or purchase invoice.
- **Able to take into account payments in transit**
  In order to further view cash movements accurately, an organization needs to take into account any payment made or received but not recorded by the bank yet. **Cash Flow** is able to record this information and make it readily available.

This user guide will cover the following chapters:

- Chapter 1: Setting Up
- Chapter 2: Cash Flow Process
- Chapter 3: Cash Flow Management
- Chapter 4: Advanced Features

**Chapter 1**

# Setting Up

# 1.  SETTING UP

## 1.1  SYSTEM SETTINGS

The following topics are relevant to this section:

- Bank settings
- Documents settings
- General ledger settings

## 1.1.1  Bank settings

The cash flow process generally includes cash and bank transactions. Exact Globe Next allows you to pay and receive cash through electronic fund transfers (EFT) through the bank. You have to define the bank settings before you can properly use the **Cash Flow** module.

To define bank settings:

1. Go to System → General → Settings.
2. Click **Bank settings**.
3. Under the **General** section at **Limit foreign payments**, type the amount in the default currency, which in this example is Euro, to set the amount limit to determine the bank format to be used in electronic banking. If the amount of foreign payment made is below the limit specified in this field, the domestic bank format will be used. Otherwise, the foreign bank format will be used. This is because for electronic banking, bank authorities have defined respective maximum limits where payments have to be electronically processed using the foreign payment format. For example, you set **Limit foreign payments** to "Euro 500,000" and the amount for that creditor's invoice is "Euro 550,000". Hence, the amount will be settled through the foreign payments bank format.
4. At **Import directory** and **Export directory**, type or select the directory to import or export the electronic bank files. You use the import and export directories to import and export bank statements, payment orders, and collection orders from and to the third party electronic banking software. These two directories must be separate and the system will create an individual subdirectory for each bank of every country in both the import and export directories.
5. Select the **Deduction management** check box to use the deduction management function in the matching process through the **Advanced** button. The deduction management function will match invoices with a value that is different from the payment or receipt and write off the difference according to the selected type. By default, this check box is not selected, so you will not see the **Advanced** button during the matching process at Cash flow → Entries → Cash flow.
6. Select the **Extra matching** check box to improve the bank statement import by matching the lump sum payments or receipts for multiple invoices. By default, this check box is not selected. If the **Extra matching** check box is selected, the **Extra matching** button will be available at Cash flow → Cash instruments → Maintain under the **Settings** tab, and also at Cash flow → Entries → Import.
7. Select the **Advanced: Instrument handling** check box to use the advanced bill of exchange functionality. This provides you

with an integrated handling and processing of invoice payments with the bank instruments, including the bill of exchange. It also provides the advanced features in handling cash inflow and outflow functions for cheques and letters of credit at Cash flow → Miscellaneous → Instrument status.
8. Under the **Payment date calculations (days from due date)** section at **Collection**, type the number of days prior to the due date to calculate the collection date.
9. At **Payroll**, type the number of days prior to the due date to calculate the payroll date.
10. At **Other**, type the number of days prior to the due date to calculate the payment date.
11. Select the **Journalize payments** check box under the **Payments: Other** section to create journal entries when the system processes a payment at Cash flow → Payments → Process (cash outflow) or Cash flow → Collections → Collection (cash inflow). These payment journal entries created are registered in the general journal that is defined at **General journal**.
12. At **General journal**, type or select the general journal number to be used in journalizing payments. This option is enabled only if the **Journalize payments** is selected.
13. Select the **Use bank/cash journal** check box to journalize all the transactions with other payment methods, which are linked to the cash instrument, into the bank/cash journal. This option is enabled only if you have selected the **Journalize payments** check box. However, if the **Journalize payments** check box is selected but the **Use bank/cash journal** check box is not selected, the transactions will be journalized in the general journal.
14. Select the **Payments in transit** check box to register the payment journal entries created in the payment in transit account (that you have defined at **Payment in transit** account) to allow matching with later imported payment installments or manual entries of payment installments.
15. Type or select the account number at **Payment in transit account**. This option is enabled only if you have selected the **Payments in transit** check box.
16. Under the **Payments: Cash**, **Payments: Letter of credit**, and **Payments: Bank/Cheque** sections, select the required option(s) to determine how you want the system to create the journal entries for payments made using cash, letters of credit,

or bank/cheques. The settings in this section are similar to the settings defined under the **Payments: Other** section above.

17. Under the **Payment settings: Post dated cheque** section, select the **Journalize payments** check box to create journal entries when the system processes a payment or receipt. These payment journal entries created are registered in the general journal that is defined at **General journal**.

18. At **General journal**, type or select the general journal number to be used in journalizing payments. This option is enabled only if you have selected the **Journalize payments** check box.

19. Select the **Use bank/cash journal** check box to journalize all the transactions with post dated cheque payment methods, which are linked to the cash instrument, into the bank/cash journal. This option is enabled only if you have selected the **Journalize payments** check box. However, if the **Journalize payments** check box is selected but the **Use bank/cash journal** check box is not selected, the transactions will be journalized in the general journal.

20. At **GL account: Receipt** and **GL account: Payment**, type or select the accounts receivable and accounts payable general ledger numbers. These options are enabled only if you have selected the **Journalize payments** check box.

21. Under the **Payments: Void** section, select the **Allow: Void** check box to display the **Void** button in the **Who processed** screen at Cash flow → Statistics → Who processed. You also need to clear the **Advanced: Instrument handling** check box under the **General section** and select the **Journalize payments** check box under the **Payments: Bank/Cheque** section to display the **Void** button. The **Void** button enables you to void cheque payments in the **Who processed** screen.

22. Select the **Print: Payment specification** check box under the **Payment specification** section to automatically print the payment specification when a payment installment is processed into an export file. In general, a payment specification is an overview of the payment details, such as the payment date, run number, name of the creditors/debtors involved in the payment transactions, payment reference, and payment amount.

23. Select the **Print: Grouped payments only** check box if you do not want to print the payment specifications when processing single payments.

24. Select the **Enter Cheque/LOC number manually** check box to retain the existing functionality, whereby you can define the cheque or letter of credit number manually. By default, this check box is selected.

25. Select the **Auto generate** check box under the **Deposit number** section to generate the deposit number automatically at Cash flow → Entries → Cash flow. The automatically-generated deposit number will be the last used deposit number +1. Even though you select this function, you can still manually type the deposit number. However, if you type a number that was used before, you will see the following message "Already used: Deposit number, Continue?". Click **Yes** to continue using the same deposit number or **No** to change the deposit number.

26. Type or select a general journal number at **General journal** under the **Cash advance** section to create journal entries related to the cost transactions of the cash advance entry. Cash advance entries can be made at Cash flow → Entries → Cash advance.

27. Select the **Automatic: IBAN Calculation** check box under the **SEPA** section to calculate the IBAN automatically for the debtor and creditor bank accounts. Once the check box is selected, the message "IBAN values are calculated in accordance with European banking standards. Licensee is solely responsible for the validation and use of the calculated IBAN values. Exact is not liable for the correctness of the calculation and/or the results." will be displayed. Click **Accept** to close the disclaimer screen and the check box will be selected. By default, this check box is selected for the Belgium legislation.

28. Select the **CAMT Import: Allocation rules** check box to display the **Allocation rules** button in the cash instruments maintenance screen at Cash flow → Cash instruments → Maintain. Once the check box is selected, you can create custom payment allocation rules for the CAMT bank statement import from external formats and systems. For more information, see *Customizing payment allocation rules for CAMT bank statement import (Document ID 26.499.979)* in Exact Synergy Enterprise. This feature is only applicable to SEPA CAMT bank statements.

29. Select how you want the requested collection date to be calculated at **Requested collection date calculations** under the **SEPA** section. **Due date** or **Payment date** can be selected. By default, **Due date** is displayed. If **Due date** is

selected, the requested collection date will be based on the SEPA direct debit (SDD) file linked to the debtor's account. However, if **Payment date** is selected, the banks will have to process the collections on the next day if the requested collection date falls on a non-working day or public holiday. This field is only applicable to the banks in Germany, Austria, the Netherlands, and Belgium.

30. Click **Save** to save all the changes you have made in **Bank settings**.
31. Click **Close** to exit.

**Examples of financial transactions based on the bank settings**

The following provides examples of the financial transactions that are generated based on the bank settings.

Case 1: Journalize payments check box is cleared; Payments in transit check box is not available.

| When you | What happens | The system credits and debits as follows | |
|---|---|---|---|
| Process a payment | The system makes no journal entry. | | |
| Import or manually enter a cash flow transaction data | Before the cash flow transaction is allocated to any debtor or creditor (unknown or not found by the system). | Inflow | Debit: Bank/cash G/L account<br>Credit: Unallocated G/L account |
| | | Outflow | Debit: Unallocated G/L account<br>Credit: Bank/cash G/L account |
| Import or manually enter a cash flow transaction data | Before the cash flow transaction is allocated to any debtor or creditor (unknown or not found by the system). | Inflow | Debit: Bank/cash G/L account<br>Credit: Debtors G/L account |
| | | Outflow | Debit: Creditors G/L account<br>Credit: Bank/cash G/L account |
| Match a cash flow transaction | The system makes no changes to the journal entry. The cash flow transaction matches the installment. | | |

Case 2: Journalize payments check box is selected; Payments in transit check box is cleared

| When you | What the system does | |
|---|---|---|
| Process a payment | Inflow | Debit: Bank/cash G/L account<br>Credit: Unallocated G/L account |
| | Outflow | Debit: Unallocated G/L account<br>Credit: Bank/cash G/L account |
| Import or manually enter a cash flow transaction data | This step is not necessary because the system has generated all the necessary journal entries when you process payments. | |

Case 3: Journalize payments check box is selected;
Payments in transit check box is selected

| When you | What the system does | |
|---|---|---|
| Process a payment | Inflow | Debit: Payments in transit G/L account<br>Credit: Debtors G/L account |
| | Outflow | Debit: Creditors G/L account<br>Credit: Payments in transit G/L account |
| Import or manually enter a cash flow transaction data | Inflow | Debit: Bank/cash G/L account<br>Credit: Payments in transit G/L account |
| | Outflow | Debit: Payment in transit G/L account<br>Credit: Bank/cash G/L account |

1. Cash flow transactions can be created in two different ways:
   – by importing the cash flow transactions based on a file that is provided by your bank, or
   – by registering the cash flow transactions directly when these occur. For example, when making a payment.
2. If your bank can supply you with a file containing the cash flow transactions that have been confirmed by them, then it is recommended to use the first scenario (provided your bank is supported), as you can then be assured that you have all the cash flow transactions in your cash flow system.
3. This also means that you cannot (and should not) register a cash flow transaction when for example, making a payment, as otherwise you would register the cash flow transaction twice.
4. You can still keep track of your payments that are in transit as all invoices or installments that have been paid are marked as being in transit, so they cannot be authorized and processed twice. Furthermore, the cash instruments balance list can also show you the correct balance amount based on the payments that are in transit.

**Note :**
When you have not matched a journal entry of a cash flow transaction with any invoices or installments, the system generates double-entries for the unallocated, or debtors or creditors general ledger account, instead of payments in transit general ledger account. Only after you have matched the journal entry with invoices or installments will the system transfer the entries to the payments in transit account.

**Tip :**
The following provides advice on the preferred setup of the cash flow management functionality. Take note that there are no standard settings for the cash flow management that apply to all legislations as each country has a different legislation on the cash flow requirements:

## 1.1.2 Documents settings

In Exact Globe Next, you can set your preferred layouts for your documents. For this section, only documents under the **Cash flow** section will be described.



To define documents settings:

1. Go to System → General → Settings.
2. Select **Documents settings**.
3. Select the standard layout for your payments at **Payment** under the **Cash flow** section by clicking 🔍 **Select**. This layout will be used for the payment process at Cash flow → Payments → Process. This is the cheque document.
4. At **Payment specification**, select the standard layout for payment specification by clicking 🔍 **Select**. This layout is used for printing of the payment specification which is defined at Cash flow → Payments → Payment specification. Click 📋 **Link layouts to creditors** to link the payment specification layout to specific creditors.
5. Select the layout for receipts at **Receipt** by clicking 🔍 **Select**. This layout is used at Cash flow → Entries →Cash flow.

6. Select the deposit report layout at **Deposit report** by clicking 🔍 **Select**. This layout is used at Cash flow → Miscellaneous → Instrument status.
7. Click **Save** to save all the changes you have made in **Documents settings**.
8. Click **Close** to exit.

### 1.1.3  General ledger settings

Before you start to record financial entries in Exact Globe Next, you need to set the general ledger settings. In this section, only **Payment differences** and **Bank costs** will be described.



To define general ledger settings:

1.  Go to System → General → Settings.
2.  Select **General ledger settings**.
3.  Under the **General ledger** section at **Payment differences**, click  **Details**. Type or select the general ledger accounts used to record discounts, payment differences, credit surcharges, and financial charges. For more information, see *Setting Up General Ledger Settings* in *1.3 Chart of General Ledgers* of the **Financial** user guide.
4.  At **Bank costs**, type or select the G/L account used to record the banking fees.

5.  Under the **Matching: Cash flow** section at **Overwrite Offset account**, select **Never** if you never want to overwrite the original offset account, **Always** if you always want to overwrite the original offset account even if mismatching occurs in a closed period, and **Only in open periods** if you want to overwrite the offset account only when mismatching occurs in an open period. The original offset account refers to the debtor or creditor general ledger account of the invoice. This function determines how the system will handle the original offset general ledger account during the matching process.

Based on this setting, the system will or will not overwrite the debtor's or creditor's general ledger account of the cash payment or receipt with the debtor's or creditor's general account of the invoice, if the debtor's or creditor's general ledger account is different in the cash payment or receipt and invoice.

6. If **Never** is selected at **Overwrite Offset account**, the **Create offset entry** check box will be enabled. Select the **Create offset entry** check box to create an additional offset entry line during the matching process (when the entries are matched using different debtor or creditor general ledger accounts). Therefore, the original general ledger account entry is not overwritten but an offset entry is generated (showing the amount deducted from the original general ledger account and booked to the corresponding general ledger account defined in the purchase journal). If the check box is enabled but not selected, the additional offset entry line will not be created.

7. Select the **Create offset entry** check box under the **Matching: Invoices** section to create offset entries when matching invoices and credit notes (that are matched using different general ledger accounts).

8. Click **Save** to save all the changes you have made in **General ledger settings**, or **Close** to exit.

**Examples of matching based on the general ledger settings**

The following provides examples of the matching that are generated based on the general ledger settings:

Case 1: Create offset entry check box under the Matching: Cash flow section is selected

| When you | Financial transactions involved |
|---|---|
| Create a prepayment for debtor A | Debit: Bank 1,000 |
| | Credit: Prepayment (debtor type) 1,000 |
| Create a sales invoice for debtor A | Debit: Debtor 980 |
| | Credit: Revenue 980 |
| Additional entry when matching prepayment to sales invoice | Debit: Prepayment 980 |
| | Credit: Debtor 980 |

Case 2: Create offset entry check box under the Matching: Invoices section is selected

| When you | Financial transactions involved |
|---|---|
| Create a sales invoice for debtor A | Debit: Debtor G/L 1300 2380 |
| | Credit: Revenue G/L 2000 Credit: VAT to pay G/L 380 |
| Create a sales credit note but using different debtor G/L account for debtor A | Debit: Revenue G/L 1000 Debit: VAT to pay G/L 190 |
| | Credit: Debtor G/L 1320 1190 |
| Additional entry when matching sales invoice to sales credit note | Debit: Debtor G/L 1320 1190 |
| | Credit: Debtor G/L 1300 1190 |

# Cash Flow Process

# 2. CASH FLOW PROCESS

In Exact Globe Next, the cash flow process means cash out from the company due to purchase, and cash in due to sales. This cash flow process is maintained through cash instruments.

## 2.1 CASH INSTRUMENTS

The following topics are relevant to this section:

- Types of cash instruments
- Creating, editing, deleting, recoding, viewing, and making a transfer balance to a cash instrument
- Linking cash instruments to journals and general ledger accounts

### 2.1.1 Types of cash instruments

Cash instruments are used to register cash flow transactions. Among the types of cash instruments are:

- **Bank accounts** – Bank accounts are commonly used in cash flow management. A bank keeps your money in a bank account in a specific currency. You have an agreement with the bank specifying under which conditions the bank account can be used.

- **Credit cards** – Credit cards are issued by a credit card company and serve as a payment method. Credit cards that are issued by a bank are called debit cards. The credit card is issued to a person and that person is authorized to pay with the card. The credit limit of the card can be restricted to a maximum amount.
- **Cash registers** – A cash register is a machine in a shop or business that records sales and in which money received is placed.
- **Petty cash** – Petty cash is a small amount of money kept in an office for buying inexpensive items.
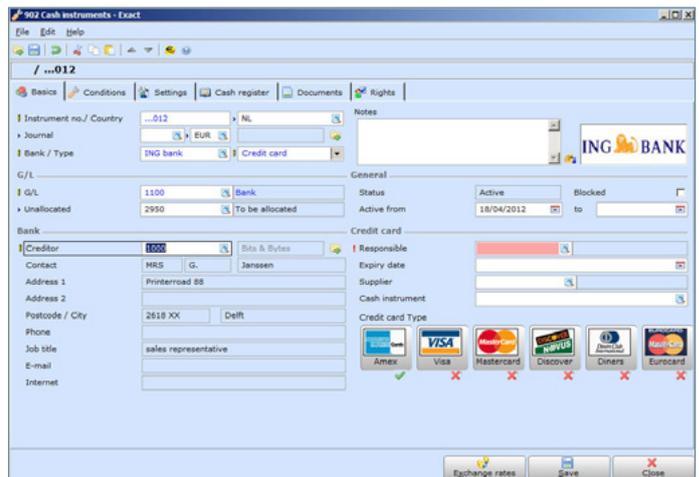
- **Basics** – This tab displays the basic information of the cash instrument, such as the cash instrument number, G/L details, bank details, person responsible for the cash instrument, and other details.
- **Conditions** – This tab displays information on the cost and interests, such as the agreed debit or credit interest percentage, or rate per year for the cash instrument and the processing cost per payment or receipt transaction, and other details.
- **Settings** – This tab displays information pertaining to identification, such as the SWIFT and BIC codes, file directories, limited amount, cheques and letter of credit, bill of exchange, and other details.
- **Cash register** – This tab displays information regarding the cash register, such as the EFT terminal, card reader, cash count, cashier, debtor, and other details. The fields in this tab are activated only if **Cash register** is selected at **Type** under the **Basics** tab. This **Cash register** tab is also available if you have the **POS** module.
- **Documents** – This displays the imported bank files. The bank files are available only if you have imported them through Cash flow → Entries → Import.
- **Rights** – This tab displays the user rights relevant to the cash instrument. You will not be able to add user rights if **Cash register** is selected at **Type** under the **Basics** tab.

**To create cash instruments:**

1. Go to Cash flow → Cash instruments → Maintain.
2. Click **New**. The **Cash instruments** screen will be displayed.
3. At **Bank account** or **Instrument no.** under the **Basics** tab, type the bank account or instrument number that will be used by this new cash instrument. Changes from **Bank account** to **Instrument no.** and vice versa depends on your selection at **Type**.
4. Type or select the country code where the cash instrument is located in at **Country**. The selected country influences the list of supported banks at **Bank**.
5. Type or select the journal number at **Journal**, to which this cash instrument will be linked. Financial transactions that are generated after

importing bank statements will be posted to this journal. If this journal does not exist when you save a new cash instrument, you will see a screen asking if you want to generate the journal. Next to the **Journal** field, you will see a **Currency** box. At **Currency**, type or select the currency of the cash instrument. The currency must be defined as **Active** at System → General → Countries → Currencies.

6. At **Bank**, type or select the bank name. This is activated only when **Bank** or **Credit card** has been selected at **Type**.
7. Select the type of cash instrument at **Type**. You can choose from **Bank**, **Cash**, **Cash register**, or **Credit card**. If **Cash** or **Cash register** is selected, the **Responsible** section will be displayed. If **Credit card** is selected, the **Credit card** section will be displayed.
8. Type important notes pertaining to this cash instrument at **Notes**.
9. Click 🖼 **Picture** to insert, delete, or save the logo of the **Bank**, **Cash**, **Cash register**, or **Credit card**.
10. Type or select the relevant account number at **G/L** under the **G/L** section. **G/L** is enabled only when a non-existent journal has been selected. Otherwise the **G/L** linked to the selected journal will be used. If the journal does not exist yet, any general ledger account can be defined here. If the selected general ledger account is not defined as a bank ledger type, the general ledger type will be automatically set to **Bank**. If a non-existent general ledger account number is filled in here and you save the changes, it will be generated automatically.
11. At **Unallocated**, type or select the offset general ledger account number that is used when cash flow transactions are manually entered or imported but are not allocated to a debtor or creditor.
12. Type or select the relevant creditor at **Creditor** under the **Bank** section if you have already filled in your creditor details at CRM → Accounts → Maintain accounts or Finance → Accounts payable → Maintain. Other creditor details, such as the contact, address, phone number, job title, and others will then be filled in automatically.
13. If you have not created any creditors, click **New** in the **Creditors** screen to create a creditor. Each

cash instrument has to be linked to a creditor, which is usually the bank. For **Credit cards**, this is the credit card company and for type **Cash** and **Cash register**, this is usually your own company.

14. Under the **General** section at **Status**, you will see the status of the cash instrument.
15. Select the **Blocked** check box to temporarily block a cash instrument. When this is done, **Blocked** will be displayed at **Status**. If the check box is not selected, **Active** will be displayed.
16. Type or select the range of dates for which the cash instrument can be used at **Active from** and **to**. Cash instruments outside this range will be inactive.
17. At **Person** under the **Responsible** section (this section is available only if **Cash** or **Cash register** is selected at **Type**), type or select the person ID of the person who is responsible for the cash instrument.
18. At **Responsible** under the **Credit card** section (this section is available only if **Credit card** is selected at **Type**), type or select the person ID of the person who is responsible for the cash instrument.
19. Type or select the expiry date of the credit card at **Expiry date**.
20. Type or select the supplier of the credit card at **Supplier**. For example, the bank that supplies the VISA or MasterCard.
21. Type or select the cash instrument number to which the credit card is linked at **Cash instrument**. This is applicable if the supplier is a bank and not the credit card company.
22. At **Credit card Type**, click the applicable credit card.
23. Click **Save**.

**Editing cash instruments**

After creating a cash instrument, you may need to make changes, such as adding notes or blocking the cash instrument.

To edit cash instruments:

1. Go to Cash flow → Cash instruments → Maintain.
2. Select the cash instrument you want to edit.
3. Click **Open**.
4. Make the necessary changes to the cash instrument.
5. Click **Save**.

**Recoding cash instruments**

Once you have created a cash instrument, you may want to recode the cash instrument number. This function is useful if you prefer to use the present number for a different cash instrument.

To recode cash instruments:

1. Go to Cash flow → Cash instruments → Maintain.
2. Select the cash instrument to be recoded.
3. Click **Recode** and a message "This process may take some time. Continue?" will be displayed.
4. Click **Yes** to continue with the recoding process.
5. In the next screen at **New**, type the new cash instrument number.
6. Click **Recode**.

**Deleting cash instruments**

It is possible to delete a cash instrument. When you do this, the cash instrument is deleted and cannot be retrieved from the system.

To delete cash instruments:

1. Go to Cash flow → Cash instruments → Maintain.
2. Select the cash instrument to be deleted.
3. Click **Delete**, and a message "Delete: Cash instrument, 2324 - Bank?" will be displayed if the cash instrument is not in use. If the cash instrument is in use, a message "In use: Cash instrument: 2324 Delete?" will be displayed.
4. Click **Yes** to delete the selected cash instrument.

**Transferring balances of cash instruments**

You can transfer the balance of a cash instrument from its current general ledger to a new one.

To transfer balances of cash instruments:

1. Go to Cash flow → Cash instruments → Maintain.
2. Select the cash instrument you wish to make the transfer for.
3. Click **Transfer balance** and a message "This process may take some time. Continue?" will be displayed.
4. Click **Yes** to continue with the process of transferring the balance.
5. In the next screen at **New**, type or select the new general ledger account number.
6. Click **Transfer balance**.

**Viewing the cash flows of cash instruments**

Once a cash instrument is created and there are cash inflows and outflows relating to the cash instrument, you may want to view all those cash flows.

To view cash flows of cash instruments:

1. Go to Cash flow → Cash instruments → Maintain.
2. Select the cash instrument for which you want to view the cash flow.
3. Click **Cash flow** and you will see a screen with search criteria.
4. Define the search criteria.
5. Click **Refresh** to view all the relevant cash flow entries.
6. Click **Close** to exit.

**Linking cash instruments to journals and general ledger accounts**

After creating a cash instrument, the system will automatically create a general ledger account and a journal based on the value defined at **G/L** under the **Basics** tab. This is provided the general ledger account does not exist yet.

## 2.1.2  Financial journals

The following financial journals are involved in the cash flow process and can be created and/or maintained at System → Finance → Journals.

- For **Cash journal**, all cash flow transactions resulting from the petty cash or cash register will be posted in it. The same cash journal can be linked to a cash instrument and a cash general ledger can be linked to the cash journal. When creating a cash instrument of the **Cash** or **Cash register** type, a financial journal will be created automatically and linked to the new cash instrument.
- For **Bank journal**, all cash flow transactions using cash instruments of the **Bank** or **Credit card** type will be posted in it. The same bank journal can be linked to a cash instrument and a bank general ledger can be linked to the bank journal. Similar to cash journals, when creating a cash instrument of the **Bank** or **Credit card** type, a financial journal will be created automatically and linked to the new cash instrument.

- The **General journal** is only used for special entries like writing off payment differences that occur during matching, (bank) cost, and others. Depending on your bank settings, financial transactions for payments and collections will also be generated in the general journal.

## 2.1.3  General ledger accounts

The following general ledger accounts are involved in the cash flow process:

- **Cash ledger** is used to register all petty cash or cash register transactions. The cash ledger should be linked to a cash instrument and a cash journal. It can be created manually at Finance → General ledger → Maintain or automatically when defining a new cash instrument of the **Cash** type (by specifying a new journal) at Cash flow → Cash instruments → Maintain.
- **Bank ledger** is used to register all the financial transactions that occur to a bank account. Each bank ledger must be linked to a cash instrument and a bank journal.
- **Neutral ledger** is used for the **Unallocated** general ledger account of the cash instrument. Depending on the company's definitions of cost and revenue, the payment differences, discounts, and surcharges can also be registered as neutral ledgers.
- **Debtor/Creditor ledger** is used when allocating a cash flow transaction to a debtor or creditor. The moment the debtor or creditor is allocated and the cash flow transaction is saved, the related financial transaction is modified and the **Unallocated** general ledger account is replaced by the applicable debtor or creditor ledger.

## 2.2  PURCHASE FLOW (CASH OUTFLOW) PROCESS

This section describes the purchase cash outflow process, such as order entries, invoice entries, and others. It also shows how the cash outflow is affected by payment conditions in the purchase process. Payment conditions are the agreed upon payment terms between you and your creditors.

The following topics are relevant to this section:

- Purchase order entry - payment conditions
- Purchase invoice entry - payment conditions
- Printing of payment advice lists
- Authorizing payments
- Processing payments and exporting bank files
- Recreating exported bank files
- Controlling

### 2.2.1  Purchase order entry – payment conditions

In order to start the cash outflow process, the conditions and installments that are agreed upon between you and the supplier must first be registered. This can be done by creating a purchase order or a purchase invoice.
A purchase order can be created only if you have the Purchase module.



**To create payment conditions in purchase orders:**

1. Go to Purchase → Entries → Purchase orders.
2. Click **New** and the **Purchase order** screen will be displayed. After defining the purchase order details, the **Conditions** button will be enabled.
3. Click **Conditions**.
4. Type or select a currency at **Currency** under the **Payment data** section.
5. Click 🔍 at **Payment condition**. The **Payment conditions** screen will be displayed.
6. Click **New** to create a payment condition.
7. Type a unique code for the payment condition at **Payment condition**. This is mandatory.
8. Type the description of the payment condition at **Description**. For example, "2 terms of 50%".
9. Select the type of calculation to generate the due date at **Due date calculation type**.
10. At **Discount/Surcharge**, select **Settlement discount** if the payment condition involves giving a discount when payment is settled, or **Credit surcharge** if the payment condition involves a surcharge when payment is delayed.
11. Type the number of days after which a discount or credit surcharge is applicable at **Number of days**.
12. Type the applicable percentage of discount or credit surcharge at **Perc..**.
13. Type or select the grouping of the items in the purchase order at **Item group**. Once all the criteria are defined, the payment terms/installments will be listed in the table below **Item group**.
14. Click 🔳 **Add**, 🔳 **Edit**, or 🔳 **Delete** to add, edit, or delete the terms.
15. Click **Save** to save the terms.

The **Payment date** column is empty when the purchase order is defined because you have not received the purchase invoice that specifies when you have to pay. However, the **Due date** column is not empty. The initial due date is calculated based on the purchase order date and the number of days that are specified in the supplier's payment conditions. This due date can give you an indication as to when you have to pay. It can also be used in cash flow planning reports.

To create prepayment terms in purchase orders:

1. Go to Purchase → Entries → Purchase orders.
2. Click **New** and the **Purchase order** screen will be displayed. After defining the purchase order details, the **Conditions** button will be enabled.
3. Click **Conditions**.
4. Select the first term or installment under the **Payment data** section.
5. Click 📝 **Edit**.
6. Type or select the payment date at **Payment date**.
7. Type the percentage of the first term or installment at % if it is different from the installment amount.
8. Click **Save** to save the changes.

6. Click **Edit** to enable the **Conditions** button.
7. Click **Conditions** and the **Payment conditions** screen will be displayed.
8. Click 🔍 at **Condition**.
9. Select a new payment condition. This will remove the existing installments and recreate them based on the new payment condition code. The **Unmatched** section displays all the unmatched cash flow transactions that are allocated to the current creditor. Based on this information, you can conclude if you have already prepaid a certain amount.
10. Click **OK** to save the changes.

## 2.2.2  Purchase invoice entry – payment conditions

Installments are also created when creating a purchase invoice in the purchase journal.



When creating a purchase invoice, the payment condition in the purchase invoice is automatically copied from the payment condition created in the purchase order.

To edit payment conditions in purchase invoices:

1. Go to Finance → Entries → Purchase.
2. Select the journal with the invoice entry.
3. Click **Zoom**.
4. Select the required invoice entry.
5. Click **Open**. The **Make purchase entry** screen will be displayed.

### 2.2.3  Printing of payment advice lists

Usually the payment advice list is used to determine the payments you want to make before authorizing and processing them. However, this step is not obligatory and can be skipped if desired.



To print payment advice lists:

1. Go to Cash flow → Miscellaneous → Advice list.
2. Define the search criteria.
3. Click **Start** to generate the advice list.
4. In the **Advice list** screen, click **Print** to print the advice list. Click **Printer settings** if you want to define other criteria for printing.
5. Click **Close** to exit.

## 2.2.4  Authorizing payments

When the purchase invoice is entered and
installments are defined, it is possible to pay your
creditors. This can be done by authorizing, and then
processing the payments.



To authorize payments:

1. Go to Cash flow → Payments → Authorize.
2. Define the search criteria.
3. Click **Display**. The **Authorize** screen will be
   displayed.
4. Select the **To be authorized** check box to display
   the payments that need to be authorized.
5. Select the payment that you want to authorize.
6. Click **Authorize**. To authorize all the payments,
   click **Select all**, and then click **Authorize**.
7. To remove the authorization for a specific
   installment, select the **Already authorized** check
   box to display the authorized payments. Select
   the payment and click the **Authorized** process
   in the purchase process flow to remove the
   authorization.
8. Click **Close** to exit.

> **Tip :**
> To be able to authorize payments, there should
> be rights granted for the cash instrument
> under the **Rights** tab when you click **Open** to
> open the selected cash instrument at Cash
> Flow → Cash instruments → Maintain.

## 2.2.5  Processing payments and exporting bank files

All authorized invoices and installments need to be processed after authorization.



**To process payments and export the bank files:**

1. Go to Cash flow → Payments → Process.
2. Define the search criteria.
3. Click **Display**. The **Process** screen will be displayed.
4. Select the **Already authorized** check box to display the payments that are already authorized and need to be processed.
5. Select the payment to be processed.
6. Click **Process**. If you want to process all the payments, click **Select all**, and then click **Process**. The **Enter: Document number** screen will be displayed if cheque, letter of credit, or cash is used as the payment method. The **CLIEOPO3** screen will be displayed if EFT (available only if you have the **POS** module), on credit, or collection (applicable to installments in the sales flow and available only if you have the **Collection** module) is used as the payment method (and will result in an export of a file). The export file will be generated in the export directory that you have defined at System → General → Settings → Bank settings. The method of the file that will be sent to the bank will depend on the way electronic payment is handled within your organization. For example, by using third party electronic banking software from the bank or uploading it to the bank's web site.

7. Type the document number at **First: Document number** in the **Enter: Document number** screen (this is predefined but you can change the information).
8. Type or select the layout name at **Layout name** (this is predefined but you can change the information).
9. In both the **Enter: Document number** and **CLIEOPO3** screens, click **OK** to display the **Process** report.
10. Click **Close** to exit.

## 2.2.6 Recreating exported bank files

All exported bank files can be recreated. This is useful if the export file was accidentally deleted before being imported into your bank's electronic banking software.



To recreate exported bank files:

1. Go to Cash flow → Payments → Created bank files.
2. Define the search criteria.
3. Click Start. The Created bank files screen will be displayed.
4. Select the bank file you want to recreate.
5. Click Recreate. The CLIEOPO3 screen will be displayed.
6. Click OK to display the Process report.
7. Click Close to exit.

**Controlling**

After you have processed the payment, the exported file can be imported into the third party electronic banking software and you can check if everything has been imported into the bank software correctly. For example, you can do this by comparing the total amount and quantity of the imported transactions from the summary report (that is printed for each exported run) with the data supplied by the third party electronic banking software. A run number is the batch serial number.

It is also important to verify that the payment you
have made is still in process with the bank or have yet
to be matched with a cash flow transaction. If that is
the case, the payment is still in transit.
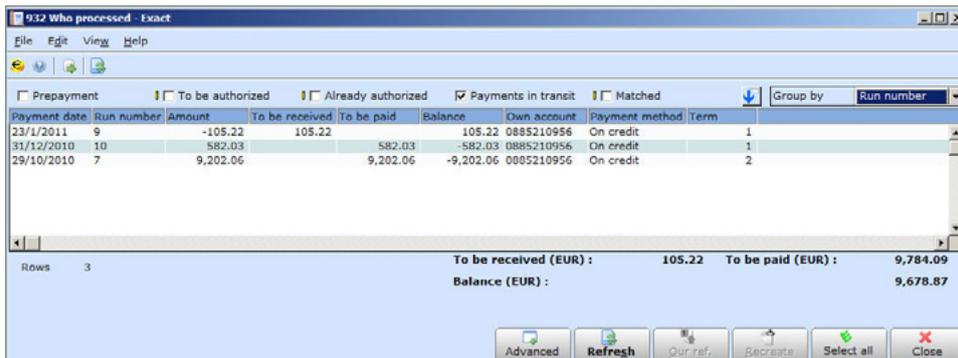


To validate total amounts of payment runs:

1.   Go to Cash flow → Statistics → Who processed.
2.   Define the search criteria.
3.   Click **Display**. The **Who processed** screen will be
     displayed.
4.   At **Group by**, select **Run number** to review the run
     specific information.
5.   Select the **Payments in transit** check box. You
     can then compare the total amount in your
     banking software with the balance of the run
     number in the **Who processed** screen.
6.   Click **Close** to exit.
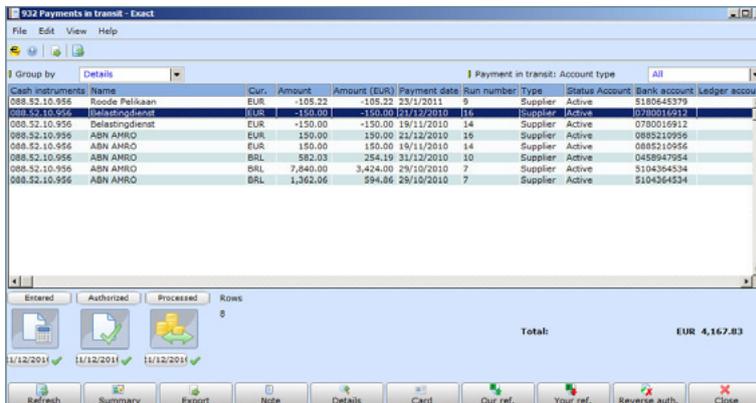
**To control payments in transit:**

1. Go to Cash flow → Payments → Payment in transit. The **Payments in transit** screen will be displayed.
2. Select the required entry.
3. Click **Zoom** to view more information about the payment in transit.
4. Select the required entry.
5. Click **Reverse auth**. to reverse the authorization process. This does not remove the payment from the export file, so you have to delete it after you import the export file in the third party banking software.

**Tip :**

This procedure depends on your bank settings. If it is defined in the bank settings that you want financial transactions to be posted directly to the general ledger of the cash instrument when processing installments (in which case only the **Journalize payments** setting is enabled in the bank settings), this procedure does not apply as the payments are not considered to be in transit. You should use the reconciliation statement function at Cash flow → Entries → Reconciliation statement to keep track of the un-reconciled payments.

## 2.3 SALES FLOW (CASH INFLOW) PROCESS

This section describes the sales cash inflow process, such as quotations, order entries, invoice entries, and others. It also shows how the cash inflow is affected by payment conditions in the sales process. Payment conditions are the agreed upon payment terms between you and your debtors.

The following are the topics relevant to this section:

- Sales quotation entry - payment conditions
- Sales order entry - payment conditions
- Sales invoice entry - payment conditions
- Collection processing and generating export files for electronic collection
- Checking

### 2.3.1 Sales quotation entry – payment conditions

A sales quotation is generated when there is an enquiry from a company or person who is interested in your products or services. It describes the product, sales price, and the terms of the sale and payment. A sales quotation can only be created if you have the **Quotation** module.

To create payment conditions in sales quotations:

1. Go to CRM → Entries → Quotations.
2. Click **New** and the **Quotations** screen will be displayed. After defining the sales quotation details, the **Conditions** button will be enabled.
3. Click **Conditions**.
4. Type or select the currency at **Currency** under the **Payment data** section.
5. Click 🔍 at **Payment condition** to display the **Payment conditions** screen.
6. Click **New** to create a payment condition.
7. Type a unique code for the payment condition at **Payment condition**. This is mandatory.
8. Type the description of the payment condition at **Description**. For example, "2 terms of 50%".
9. Select the type of calculation you want to use to generate the due date at **Due date calculation type**.

10. At **Discount/Surcharge**, select **Settlement discount** if the payment condition involves giving a discount when payment is settled, or **Credit surcharge** if the payment condition involves a surcharge when payment is delayed.
11. Type the number of days after which a discount or credit surcharge is applicable at **Number of days**.
12. Type the applicable percentage of discount or credit surcharge at **Perc.**.
13. At **Item group**, type or select the grouping of the items in the purchase order. Once all the criteria are defined, the payment terms/installments will be listed in the table below **Item group**.
14. Click 🖳 **Add**, 📝 **Edit**, or 📌 **Delete** the terms.
15. Click **Save** to save the terms.

The **Payment date** column is blank when the sales quotation is defined. This is because the sales invoice that will state when payment is due has not been received. However, the **Due date** column is not blank. The initial due date is calculated based on the sales quotation date and the number of days that are specified in the debtor's payment conditions. This due date can give you an indication as to when you will receive payment. It can also be used in cash flow planning reports.

**To create prepayment terms in sales quotations:**

1. Go to CRM → Entries → Quotations.
2. Click **New** and the **Quotations** screen will be displayed. After defining the sales quotation details, the Conditions button will be enabled.
3. Click **Conditions**.
4. Click **Prepayment** and the **Prepayment** screen will be displayed.
5. Type the amount to be prepaid at **Prepayment** or type the percentage to be prepaid at **Percentage**.
6. Type or select the payment date of the prepayment at **Payment date**.
7. Click **Save** to save the data. The message "Reason: All installment information will be lost. Continue?" will be displayed.
8. Click **Yes** to continue or **No** to stop the process.
9. Click **Close** to exit.

## 2.3.2 Sales order entry – payment conditions

To start the cash outflow process, the conditions and installments that are agreed upon between you and the supplier must be registered. This can be done by creating a sales order or sales invoice. A sales order can only be created if you have the **Order** module.

You can create payment conditions and create the prepayment terms in a sales order at Order → Entries → Sales orders and the processes are exactly the same as in *Sales quotation entry - payment conditions*.

### 2.3.3  Sales invoice entry – payment conditions

Installments are also created when creating a sales invoice. A sales invoice can be created if you have the **Invoice** module.

In the sales invoice, the creation of payment conditions and new payment conditions at Invoice → Entries → Invoices are exactly the same as in *Sales quotation entry - payment conditions*.

A sales invoice can also be created at Finance → Entries → Sales if you have the **Finance** module.

9.  Select a new payment condition. This will remove the existing installments and recreate them based on the new payment condition code. The **Unmatched** section displays all the unmatched cash flow transactions that are allocated to the current creditor. Based on this information, you can conclude if you have already prepaid a certain amount.
10. Click **OK** to save the changes.



To edit payment conditions in sales invoices (in the Finance module):

When creating a sales invoice, the payment condition in the sales invoice is automatically copied from the payment condition created in the sales order.

1.  Go to Finance → Entries → Sales.
2.  Select the journal of the invoice entry.
3.  Click **Zoom**.
4.  Select the required invoice entry.
5.  Click **Open**. The **Make sales entry** screen will be displayed.
6.  Click **Edit** to enable the **Conditions** button.
7.  Click **Conditions** and the **Payment conditions** screen will be displayed.
8.  Click 🔍 at **Condition**.

**Tip :**

There is an important difference between the sales and purchase flow that will determine the payment date. In the purchase flow, the payment date (and due date) is determined the moment the purchase invoice is created. In the sales flow, this is the same when the sales invoice is created as a financial transaction in a sales journal at Finance → Entries → Sales.

However, when the sales invoice is created at Invoice → Entries → Invoices or generated from Order → Entries → Sales orders by fulfilling the sales order, the due date is already fixed but the payment date will be determined only when the final invoice is printed. The reason for this is that until the final invoice is printed and sent, the installments do not have to be paid yet (unless you require a prepayment).

### 2.3.4 Collection processing and genera-ting export files for electronic collecti-on

If you have the **Collection** module, it is possible to export electronic collection files. This is useful if you want to be in control of the payments that your customers have to make (depending on the conditions you have agreed upon with your customers).

Before generating the export files for electronic collection, you first need to create a sales order. In the **Sales orders** screen, click **Conditions**, and type or select the required payment condition at **Payment condition**. Then, edit the installment entry by clicking **Edit**. The **Sales invoice** screen will be displayed. Type or select the date at **Payment date**, and choose **Collection** at **Method**, and then save the changes. You now need to authorize and confirm the sales order (if those steps are in your sales flow), and create a sales invoice. Lastly, authorize and process the sales invoice.

5.  Select the entry that you want to process.
6.  Click **Process**. The **Process** report will be generated.
7.  Click **Print** to print the process report or **Close** to exit.



To generate export files for electronic collection:

1.  Go to Cash flow → Collections → Collection.
2.  Define the search criteria.
3.  Click **Display**. The **Collection** screen will be displayed.
4.  Select the **Collect** check box to view the outstanding invoices or installments that use the collection payment method.

### 2.3.5  Checking

It is possible to check the invoice on the debtor card.
Here, you can view the general information about the
invoices that have been sent.
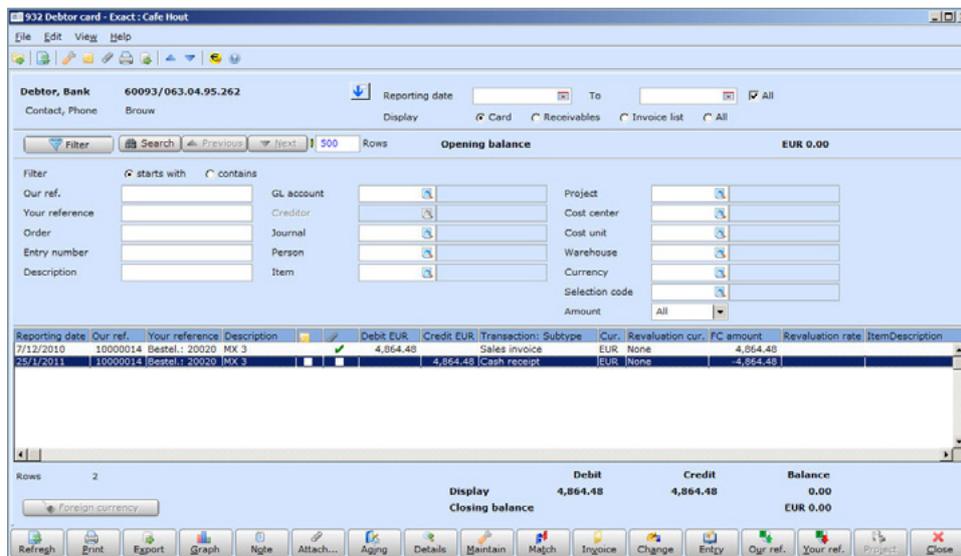


To check invoices:

1. Go to Finance → Accounts receivable → Cards.
2. Select the debtor whose invoice you want to
   check.
3. Click **Display**. The **Debtor card** screen will be
   displayed.
4. At **Display**, select **Receivables** to view the
   outstanding installments with the correct
   due dates or **Invoice list** to view the general
   information about the invoices sent. Select **All**
   if you have multiple installments and want an
   overview of all the installments pertaining to this
   invoice.
5. Click **Close** to exit.

## 2.4  CASH INFLOW AND CASH OUTFLOW PROCESSES

The following topics are relevant to this section:

- Importing bank statements
- Manual entry of bank/credit card statements, deposit of cheques or letters of credit, petty cash, and other cash flow transactions
- Booking bank costs
- Booking interbank transfer transactions
- Allocation of payments or receipts
- Matching of payments or receipts
- Reconciliation of bank statements

### 2.4.1  Importing bank statements

Payment or receipts that have been processed by the bank will be confirmed via a bank statement. If the bank can deliver this statement electronically and the format is supported by your software, it can be imported into Exact Globe Next. The bank statement file will be imported from the **Import directory** as specified at System → General → Settings → Bank settings.
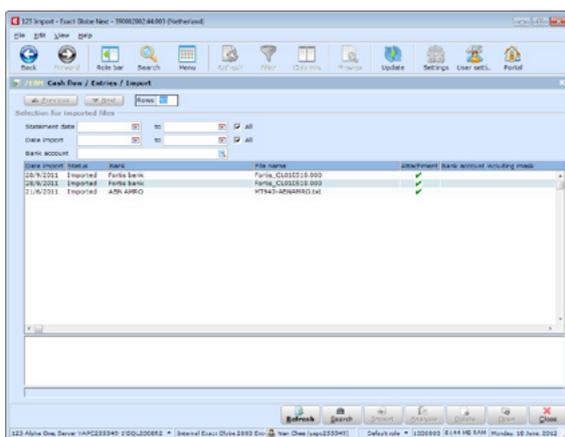


To import bank statements:

1. Go to Cash flow → Entries → Import.
2. Define the search criteria, such as the **Statement date**, **Date import**, and **Bank account**.
3. Click **Search** to search for the bank statement file from the import directory.
4. At **Import directory**, double-click on the bank statement file to open the **Bank name** screen.

5. In the **Bank name** screen, select the relevant bank.
6. Click **OK**. The **Bank import** screen will be displayed.
7. Choose the type of matching you want during the bank import.
8. Click **Select**. Matching is the linking of the created or imported cash flow transactions to the invoices (or installments). During the bank import, the system will trigger the allocation of the debtor or creditor by searching for the offset bank account in the debtor or creditor maintenance.

**Note :**
During the import of bank statements, it is possible to automatically match statement lines to a cost or expense general ledger for the remaining unmatched statements during the import. To do so, go to Finance → Accounts receivable → Maintain or Finance → Accounts Payable → Maintain. Select the **Financial** tab and select the **Automatic matching** check box under the **General** section. Then, select the **Offset account** (this field becomes mandatory once **Automatic matching** is selected). If the automatic matching is not done, the remaining unmatched statements need to be allocated and matched manually.

**To verify and repair imported bank statements:**

1.  Go to Cash flow → Entries → Import.
2.  Define the search criteria, such as the **Statement date**, **Date import** and **Bank account**.
3.  Click **Refresh** to display the imported bank statements.
4.  Select the required bank statement.
5.  Click **Analysis**. The **Import Analysis** screen will be displayed.
6.  Select the statement to be repaired.
7.  Click **Repair**. The **Repair** button will be enabled only if you have a statement to repair. For example, after importing a bank statement, delete a transaction that is related to it at Cash flow → Entries → Cash flow. This will enable the **Repair** button. Once you select the statement you wish to repair and click **Repair**, the deleted transaction will be available at Cash flow → Entries → Cash flow again.
8.  Click **Close** to exit.

## 2.4.2  Manual entry of bank or credit card statements, deposit of cheques or letters of credit, petty cash, and other cash flow transactions

When you do not register the payments or receipts based on the bank statements (because the statements arrive only once a month and you want to register your receipts or payments sooner), you can enter them manually the moment the receipts or payments are received.
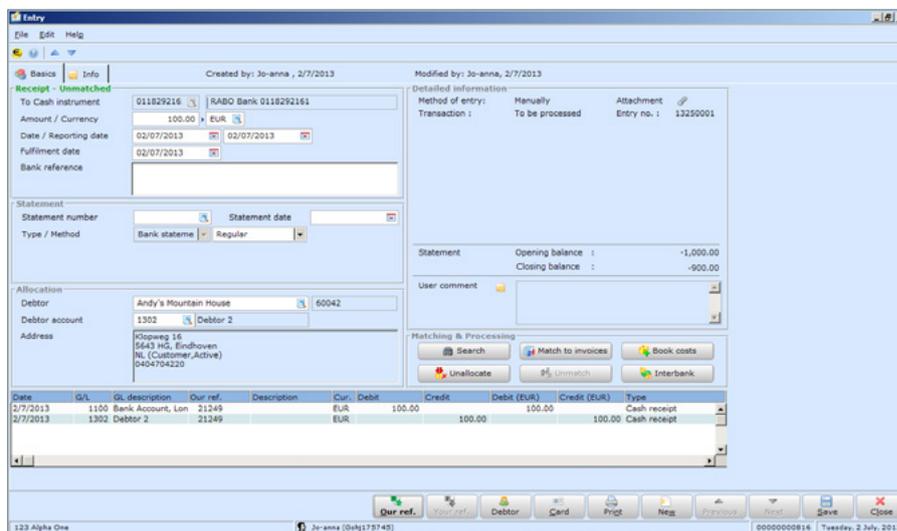
To create payments or receipts manually:

1. Go to Cash flow → Entries → Cash flow.
2. Click **New**. The **Entry** screen will be displayed.
3. At T**o Cash instrument** under the **Receipt -
   Unallocated** section, type or select the bank
   account number that you want to make the
   receipt or payment to. This is mandatory.
4. At **Amount / Currency**, type the amount of the
   receipt or payment.
   Select the corresponding currency. To define a
   payment, type a negative amount (for example,
   -90.00).
   To define a receipt, type a positive amount (for
   example, 90.00).
5. At **Date**, type or select the date of the payment
   or receipt.
6. At **Fulfillment date,** type or select a fulfillment
   date for the payment or receipt.
7. At **Bank reference**, type a suitable reference,
   such as "receipt from company xxx".
8. At **Statement number** under the **Statement**
   section, type or select the statement number of
   the payment or receipt.
9. At **Statement date**, type or select the statement
   date of the payment or receipt.
10. At **Type / Method**, select the way you want the
    payment or receipt to be made, method used,
    and number of the cash instrument used to make
    the payment or receipt.

> **Note :**
> Statement date, Statement number, Date,
> Type, and Method will be remembered and
> pre- filled in the cash flow entry when an
> entry is created. This is applicable for single
> administration only, which means if a different
> administration is used, it will not remember the
> details from the previous administration

11. At **Maturity date**, type or select the maturity date
    of the letter of credit. **Maturity date** is available
    only if **Bank statement** is selected at **Type** and
    **Letter of credit** is selected at **Method**.
12. Type or select the bank name used for making
    payment or receipts at **Instrument bank**.
    **Instrument bank** is available only if **Bank
    statement** or **Cash** is selected at **Type** and
    **Letter of credit**, **Cheque** or **Post dated cheque** is
    selected at **Method**.

13. Type or select the deposit number of the cheque,
    post dated cheque, cash, or letter of credit at
    **Deposit number**. **Deposit number** is available
    only if you have selected **Bank statement**, **Cash**,
    or **Office** at **Type** and **Cheque**, **Post dated cheque**,
    **Cash**, or **Letter of credit** at **Method**. **Deposit
    number** is only available when creating receipts.
14. At **Deposit date**, type or select the deposit date
    of the cheque, post dated cheque, cash, or letter
    of credit. **Deposit date** is available only if you
    have selected **Bank statement**, **Cash**, or **Office** at
    **Type** and **Cheque**, **Post dated cheque**, **Cash**, or
    **Letter of credit** at **Method**. **Deposit date** is only
    available when creating receipts.
15. At **Name** under the **Allocation** section, type or
    select the name of the person or company to
    whom you want the payment or receipt allocated
    to. The **Name** field changes to **Debtor** or **Creditor**
    according to your selected name. When the
    name is typed or selected, all the fields under
    the **Allocation** section will be pre-filled and **G/L**
    changes to **Creditor account/Debtor account**
    based on the selected name.
16. Under the **Detailed information** section, all the
    information are pre-filled except for **Attachment**.
17. At **Attachment**, click 🔗 to attach documents that
    are relevant to this entry.
18. If a foreign currency is used, then the **Foreign
    currency** section becomes available. To use
    foreign currencies, you first need to activate the
    currency at System → General → Countries →
    Currencies. Under the **Foreign currency** section,
    all fields will be pre-filled according to the earlier
    selections. However, at **Bank statement**, you can
    change the value at **XRate**. When the exchange
    rate changes, the amount in the default currency
    also changes accordingly.
    Creating the payments or receipts manually will
    be completed at this stage but you can proceed
    with matching the payments or receipts to the
    relevant invoice(s). If you do not want to match
    the payments or receipts in the **Entry** screen,
    you can also do it at Cash flow → Entries → To be
    matched. For more information, see *Matching of
    payments or receipts.*

**To match payment or receipt with invoices (from the Entry screen):**

1. Click **Match to invoices** under the **Matching & Processing** section and the **Matching** screen will be displayed.
2. Select the correct data (line) from the **Cash/bank** section and the **Invoices** section.
3. Click **Match/Process** to perform the matching process.
4. If matching is for a VAT term and the VAT return has not been generated yet, you need to type a password before you are able to perform the match or process function. If the balance amount displayed at the top center of the **Cash/bank** and **Invoices** sections is zero, the selected transactions will be matched and removed from the screen. If there are differences to be settled with the invoice amount, the decision must be made on how to write off these differences. If there are differences to be settled, the **Process** screen will be displayed.
5. Select the relevant options, such as **Balance**, **Payment difference**, **Refund**, **Discount**, and other options.
6. Click **Process**.
7. Click **Close** in the **Matching** screen to exit.

**To edit payments or receipts:**

1. Go to Cash flow → Entries → Cash flow.
2. Select the cash flow entry to be edited.
3. Click **Edit**. The **Entry** screen will be displayed.
4. Make the necessary changes to the entry.
5. Click **Save**.
6. Click **Close** to exit.

**To delete payments or receipts:**

1. Go to Cash flow → Entries → Cash flow.
2. Select the cash flow entry to be deleted.
3. Click **Delete**, and a message "Delete the data selected?" will be displayed.
4. Click **Yes** to delete the selected cash flow entry.
5. Click **Close** to exit.

### 2.4.3  Booking bank costs

Bank cost comes about because banks will often charge you for keeping an account or as fees for the processing of transactions. There are several scenarios for the bank cost. The most common one is that the bank includes an additional line for bank cost on the bank statement. When creating, importing, and processing the bank statement, there is no invoice with which to settle the bank cost. This means that the cash flow transaction will initially be unallocated.

7.  At **Tax**, type or select the tax code that is relevant to this transaction. This field will be enabled only if a tax code of more than 0% is selected. It will also show the tax amount based on the tax code.
8.  Click **Advanced** to display more criteria.
9.  Type or select the values at **Project**, **Cost center**, **Cost unit**, **Item cd.** and **Person** which you want to allocate the bank cost to.
10. Click **OK** to process the defined information.



To book bank costs:

1.  Go to Cash flow → Entries → Cash flow.
2.  Click **New**, or select a cash flow entry and click **Edit**. The **Entry** screen will be displayed.
3.  After defining the information (only if it is a new entry), click **Book costs** under the **Matching & Processing** section. The **Book costs** screen will be displayed.
4.  Select **Bank costs**.
5.  At **G/L**, type or select the general ledger account you want to book the bank cost to. By default, the general ledger account defined at **Bank costs** in System → General → Settings → General ledger settings will be displayed.
6.  Type the bank cost amount at **Amount**. The amount can be divided over three different general ledger accounts. When you adjust the amount, the second line will allow you to specify to which general ledger account the remaining amount has to be booked. The sum of the amounts has to be equal to the amount of the cash flow transaction as you cannot leave a difference. The **Amount in DC** box will only be enabled if a foreign currency is used. When that happens, it will display the amount in the default currency.

## 2.4.4  Booking interbank transfer transactions

The booking of interbank transfer transactions is used to automatically match the cash flow transactions with the processed transfers (from cash instrument A to cash instrument B) that are created at Cash flow → Payments → Prepayments & transfers.

After the bank has processed the transfers and you have registered or imported the bank statements for both cash instruments, you can proceed to do the matching.

Before you start, make sure the cash flow transactions are allocated to the default company account code (defined at System → General → Settings → Company data settings).
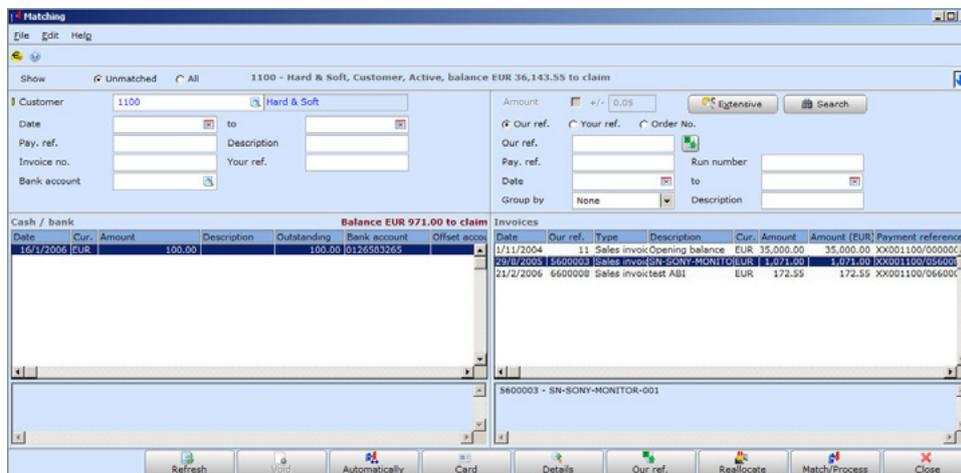


To book interbank transfer transactions:

1. Go to Cash flow → Entries → Cash flow.
2. Select the payment or receipt entry relating to the transfer.
3. Click **Edit**. The **Entry** screen will be displayed.
4. Click **Interbank** under the **Matching & Processing** section.
5. Under the **Cash/bank** section, the entries are automatically displayed.
6. Select either the payment entry (negative amount) or the receipt entry (positive amount).
7. Click **Automatically**. Both the payment and receipt entries that relate to the transfer will be matched and removed from the screen.
8. Click **Close** to exit.

## 2.4.5  Allocation of payments or receipts

Allocation of payments or receipts is the process
in which you identify which creditor or debtor is
responsible for the payments or receipts. Imported or
manually created bank statements in which no debtor
or creditor is registered are unallocated. If allocation
is not done during bank import or during the manual
creation of payments or receipts, you can do it at
Cash flow → Entries → To be allocated.



To allocate payments or receipts:

1.  Go to Cash flow → Entries → To be allocated.
2.  Define the search criteria, such as **Date**, **Own
    bank account**, **Type**, **Statement**, and others.
3.  Click **Refresh**. Cash flow entries that match the
    search criteria will be displayed.
4.  Select the cash flow entry that you want to make
    allocation for.
5.  Click **Edit**. The **Entry** screen will be displayed.
6.  At **Name** under the **Allocation** section, type or
    select the debtor or creditor responsible for the
    payment or receipt.
7.  Click **Close** to exit.

> **Note :**
> You can also create custom payment allocation
> rules for the CAMT bank statement import
> from external formats and systems. For
> more information, see *Customizing payment
> allocation rules for CAMT bank statement
> import (Document ID 26.499.979)* in Exact
> Synergy Enterprise.

## 2.4.6  Matching of payments or receipts

The matching process is the linking of the created or imported cash flow transactions to the invoices (or installments). Before a cash flow transaction can be matched, it must be allocated. If matching is not done during bank import or during the manual creation of payments or receipts, you can do it at Cash flow → Entries → To be matched.



To match payments or receipts:

1. Go to Cash flow → Entries → To be matched.
2. Define the search criteria such as **Date**, **Own bank account**, **Type**, and others.
3. Click **Refresh**. Cash flow entries that match the search criteria will be displayed.
4. Select the cash flow entry to be matched.
5. Click **Match**. The **Matching** screen will be displayed.
6. Select the correct entry (line) from the **Cash / bank** and **Invoices** sections.
7. Click **Match/Process** to perform the matching process. If matching is for a VAT term and the VAT return has not been generated yet, you need to type a password before you are able to perform the match or process function. If the balance amount displayed at the top center of the **Cash / bank** and **Invoices** sections is zero, the selected transactions will be matched and removed from the screen. If there are differences to be settled with the invoice amount, the decision must be made on how to write off these differences. If there are differences to be settled, the **Process** screen will be displayed.
8. Select the relevant options, such as **Balance**, **Payment difference**, **Refund**, **Discount**, and others.
9. Click **Process**.
10. Click **Close** to exit.

## 2.4.7 Reconciliation of bank statements

Reconciling is necessary when your company's records show a difference between the balance of cash at bank and that in the bank statement. The aim of reconciliation is to ensure that discrepancies that occur are not due to timing but due to error(s).

11. Click **Yes** to mark the statement as **Finished**. Click **No** to go to the **Balance** tab. You can make adjustments at **Opening balance** or **Closing balance** if there are errors. Alternatively, you can click **Finish later** to finish the reconciliation at a later time and to exit.
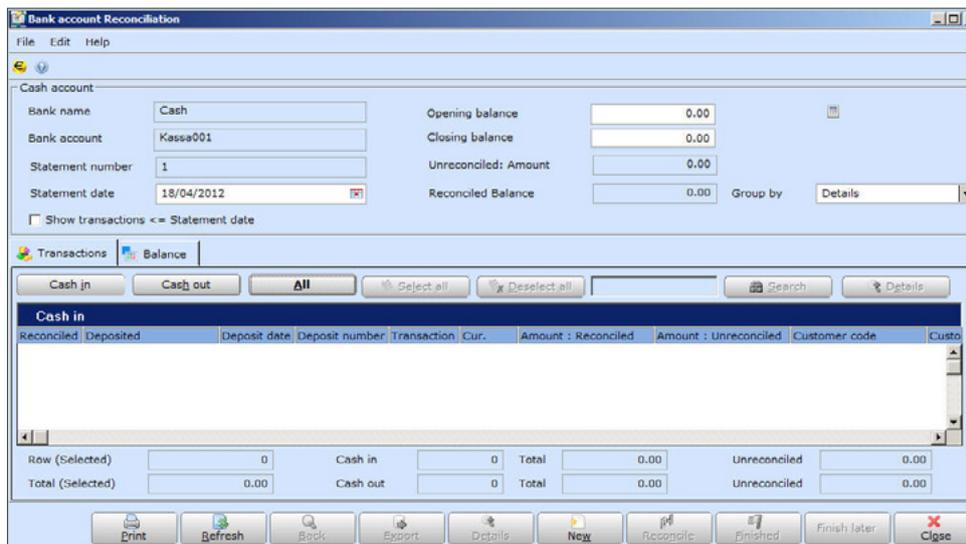


To manually reconcile bank statements (excluding Dutch license):

1. Go to Cash flow → Entries → Bank reconciliation → Manual.
2. Define the search criteria, such as **Cash instrument**, **Date**, and **Statement number**.
3. Click **Refresh**. Statements that match the search criteria will be displayed.
4. Select the required statement.
5. Click **Open**. The **Bank account Reconciliation** screen will be displayed.
6. Under the **Transactions** tab, click any view (**Cash in**, **Cash out**, or **All**).
7. Under the **Reconciled** column, select the check box of the transaction you want to reconcile.
8. Click **Reconcile**. To undo the reconciliation of a particular transaction, select the check box of the transaction and click **Reconcile**.
9. Click **Finished** to complete the reconciliation process once all the deposits and payments have been reconciled.
10. If the statement is not fully reconciled, a message "Your statement is not fully reconciled. Do you still wish to finish?" will be displayed.

**To automatically reconcile bank statements (excluding Dutch license) – Option 1:**

1. Go to Cash flow → Entries → Bank reconciliation → Manual.
2. Define the search criteria, such as **Cash instrument**, **Date**, and **Statement number**.
3. Click **Refresh**. Statements that match the search criteria will be displayed.
4. Select the required statement.
5. Click **Auto reconcile**. The **Auto reconcile** screen will be displayed.
6. Type or select the cash instrument number at **Cash instrument**. This is mandatory.
7. Type the statement number at **Statement number** (to be used in the bank transaction table or the auto reconciled transactions).
8. Type or select a date at **Transactions prior to** (where all the transactions prior to it will be reconciled)
9. Select the **Statements: Finished** check box to include finished statements.
10. Click **OK** to finish the auto reconciliation process.

5. Select the bank statement reconciliation file provided by the bank.
6. Once the file has been selected, the **Bank name** screen will be displayed where you have to select the bank that matches the bank statement reconciliation file.
7. If correctly matched, the message "Import file: Completed" will be displayed. Then, all the information from the bank statement file will be displayed in the **Bank reconciliation** screen.
8. Click **Auto reconcile** to automatically match and reconcile the entries.
9. You can also manually match transactions by selecting the correct bank statement under the **Bank statement** column and the correct bank entry under the **Cash / bank** column, and clicking **Reconcile**.
10. To undo the reconciled transactions, select the reconciled bank statement and entry, and click **Unreconciled**.
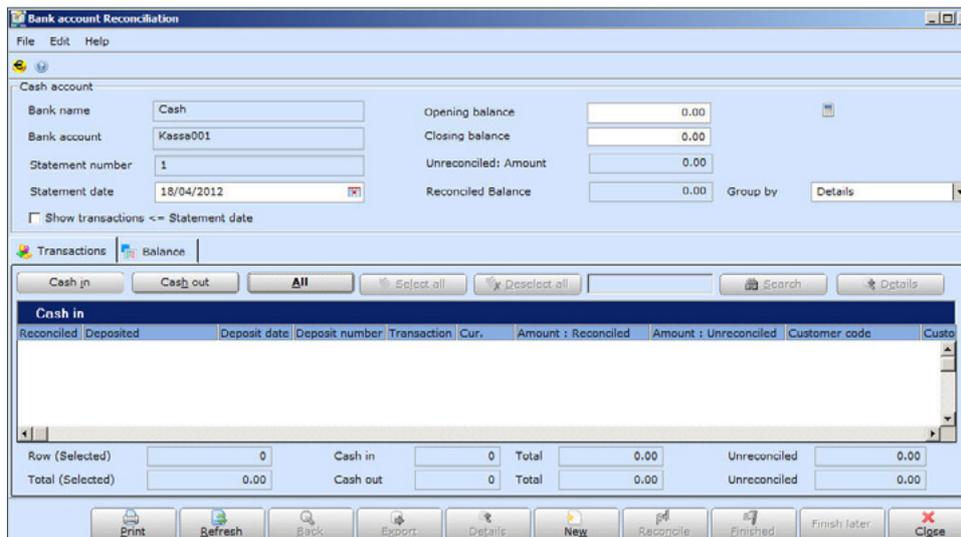


**To automatically reconcile bank statements (excluding Dutch license): – Option 2:**

1. Go to Cash flow → Entries → Bank reconciliation → Automatically or Cash flow → Entries → Import.
2. Select a transaction in the overview.
3. Click **Reconcile**.
4. In the **Bank reconciliation** screen, click **Search** to display the import folder.

**To create statements for reconciliation (excluding Dutch license):**

1.  Go to Cash flow → Entries → Bank reconciliation → Manual.
2.  Click **New** and the **Statement Information** screen will be displayed.
3.  Type or select the values at the **Cash instrument**, **Statement**, **Statement date**, **Opening balance**, and **Closing balance** fields.
4.  Click **OK** to save the information.



**To reconcile bank statements (Dutch license):**

1.  Go to Cash flow → Entries → Cash flow.
2.  Define the search criteria, such as **Date**, **Own bank account**, **Type**, and others.
3.  Click **Refresh**. The transactions that match the search criteria will be displayed.
4.  Select the required transaction to be reconciled.
5.  Click **Edit**. The **Entry** screen will be displayed.
6.  Type or select the correct statement number and date at **Statement number** and **Statement date** for the selected transaction.
7.  Click **Save** to save the information.
8.  After saving the information, **Yes** will be displayed in the **Reconciled** and **Finished** boxes at the process flow (under the **Info** tab in the **Bank / Cash / 529** section).

**Note :**
Additional information on bank reconciliation is stored in the bank journal entries. You can repair any inconsistencies found in the database by using the diagnostic tool at System → Check → Diagnose (click **Start** to start the diagnostic process and click **Repair** to repair any inconsistencies) and still retain the information on the bank reconciliation.

# Cash Flow Management

# 3. MANAGEMENT INFORMATION

Cash flow management requires you to manage, analyze, and adjust your business cash flows to ensure liquidity. This is why you need to carefully monitor and manage the cash inflows and cash outflows. In Exact Globe Next, this can be done through the accounts receivable or payable administration and cash flow reports.

## 3.1  ACCOUNTS RECEIVABLE OR PAYABLE ADMINISTRATION

The following topics are relevant to this section:

- Balance lists
- Managing accounts receivable or payable
- Accounts receivable or payable cards

### 3.1.1  Balance lists

The accounts receivable or payable balance list allows you to quickly check all the receivables or payables for payments in transit. It will also show you if there are any unmatched invoices or installments.

Filter section to include invoices and installments that are in transit, **Excluding** to exclude invoices and installments that are in transit, or **Payments in transit** to show only invoices and installments that are in transit.

5.  Select the **To be matched** check box to display only invoices and installments that have yet to be matched. This is useful for verifying the accounts receivable or payable that consist of unmatched transactions. It also functions as a to-do list.
6.  Define the additional search criteria if needed or click **Close** to exit the **Additional criteria** screen.
7.  Define the rest of the search criteria where applicable.
8.  Click **Display** to display the **Balance list** screen.
9.  If the check box in the **Payments in transit** column is selected for the selected invoice, this means that the invoice has been received (for accounts receivable) or paid (for accounts payable) but not processed by the bank or matched with the cash flow transaction yet. If the check box is cleared, there is no payment in transit and all invoices and installments have been processed by the bank or matched with the cash flow transaction.
10. Click **Close** to exit.



To generate balance lists:

1.  Go to Finance → Accounts receivable → Balance list or Finance → Accounts payable → Balance list.
2.  Under the **Group** section, select **To be invoiced** to display orders that have yet to be invoiced.
3.  Click **Additional criteria** under the **Account** section.
4.  Select **Including** at **Payments in transit** under the

## 3.1.2 Managing accounts receivable or payable

To manage your receivables or payables, you can print a report showing all the invoices or installments that have yet to be paid.

3. Define other search criteria.
4. Click **Start** to display the **Outstanding items debtors** report or **Outstanding items creditors report**.
5. Click **Print** to print the report or **Close** to exit.



To manage accounts receivable or payable:

1. Go to Finance → Accounts receivable → Receivables → Report receivables or Finance → Accounts payable → Payables → Report payables.
2. At **Report** under the **Layout** section, select **List** to display the receivables or payables list or **Details** to display an extensive report that includes information about outstanding items and associated debtors or creditors. If there is a red asterisk * at the end of a line in the report, this means that a payment is in transit for that invoice or installment. If there is a blue asterisk * next to the **Our ref** number, it means that the invoice is blocked.

### 3.1.3  Accounts receivable or payable cards

The accounts receivable or payable card is the central point that provides all the information about the receivables or payables status. From the card, you can also generate reports, view the transaction details, edit information, and search for transactions involving a creditor or debtor based on specific criteria.
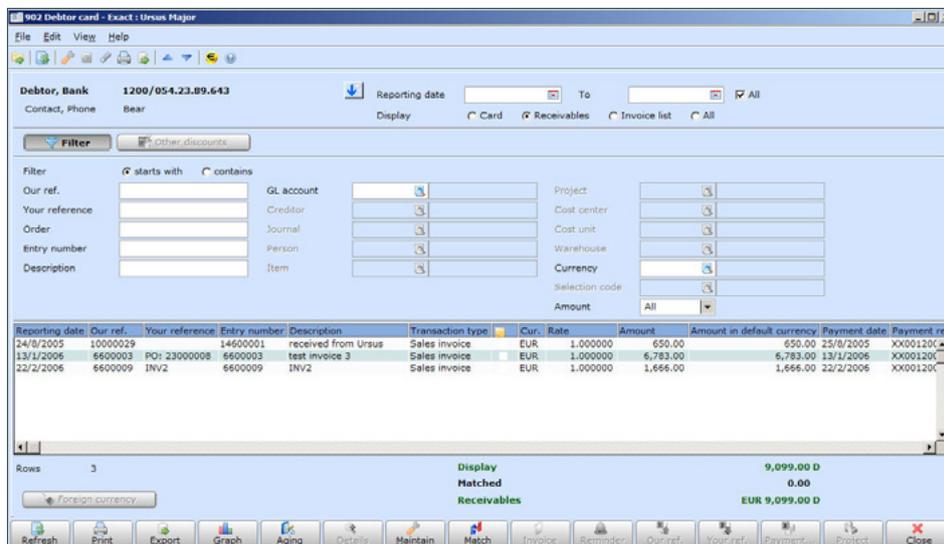


To manage accounts receivable or payable cards:

1.    Go to Finance → Accounts receivable → Cards or Finance → Accounts payable → Cards.
2.    Define the search criteria.
3.    Click **Search**. Debtors or creditors that match the search criteria will be displayed.
4.    Select the required debtor or creditor.
5.    Click **Display** to display the **Debtor card** or **Creditor card** screen.
6.    Click ⬇ . At **Display**, select **Receivables** for debtors or **Payables** for creditors. The **Payments in transit** field will be displayed.
7.    At **Payments in transit**, select **Including** to display only payment that is in transit, **Excluding** to display payment that is not in transit, and **Payments in transit** to display both the payment that is in transit and not in transit.
8.    Click **Close** to exit.

## 3.2  CASH FLOW REPORTS

The following topics are relevant to this section:

- Cash instruments balance lists
- Cash flow statements
- Graphs of cash flow transactions
- Cash flow planning
- Reproducing bank statements
- Deposit ticket reports
- Pre-cheque writing reports

### 3.2.1  Cash instruments balance lists

The balance list displays the current and expected
income or expenses. The balance list allows you to
view information about the number of cash flow
transactions, balance as a result of these cash flow
transactions, average exchange rate (in case of
foreign currency cash flow transactions), total amount
of the payment that is in transit, and total balance
amount including the payment in transit.



To view cash instruments balance lists:

1.  Go to Cash flow → Reports → Balance list.
2.  Define the search criteria.
3.  Click **Display**. The **Cash balance** screen will be
    displayed.
4.  At **Group by**, select the required option to
    display the cash instrument balance list. **Details**,
    **Currency code**, **Bank name**, **Type** and **General
    ledger** can be selected. You can view further
    information relating to the cash instrument
    balance list, such as the general ledger card, cash
    flow, bank statement, and payment in transit by
    clicking the relevant buttons.
5.  Click **Close** to exit.

## 3.2.2 Cash flow statements

The cash flow statement provides an overview of all the payments and receipts for a certain period of time. Furthermore, the payments and receipts for a different period can be viewed and the two periods can be compared.



To view cash flow statements:

1.  Go to Cash flow → Reports → Cash flow statement. The **Cash flow** screen will be displayed.
2.  Type or select the date range at **Date** under the **Range 1** section.
3.  Under the **Range 2** section, select the **Use** check box to use the second range. This will enable the **Date** field.
4.  Type or select the date range at **Date** under the **Range 2** section.
5.  Click **Refresh** to view the cash flow statement.
6.  Click **Details** to display the **Details** screen to view the breakdown of the selected cash flow. You can also edit the details on this screen.
7.  Click **Configuration** to display the **Configuration** screen to assign the specific type of general ledger accounts for the general ledger codes with unknown types or change the type of the general ledger account.
8.  Click **Close** to exit.

## 3.2.3 Graphs of cash flow transactions

It is possible to generate a graph of the developments
(cash flow transaction history) for all cash instruments
or one specific cash instrument.
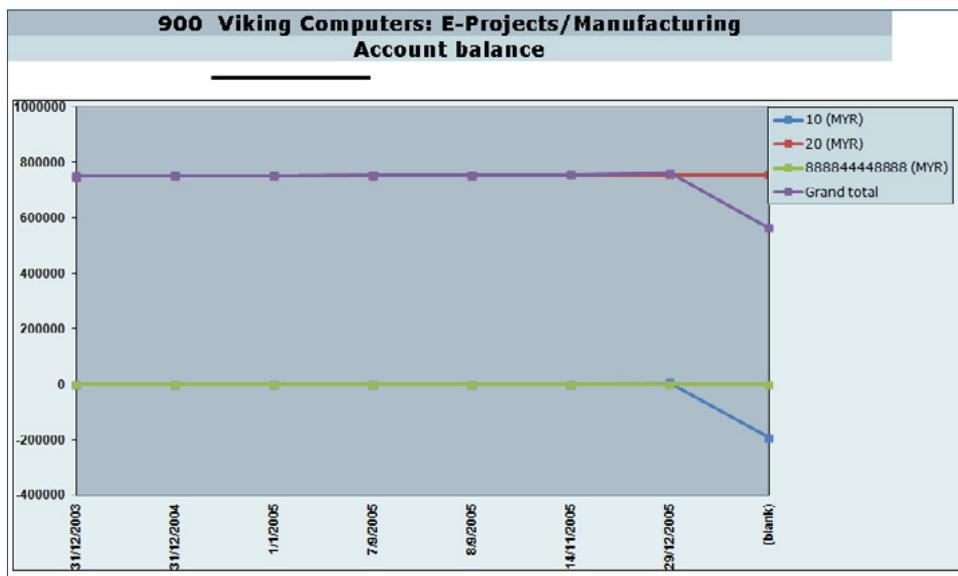


To generate cash flow transaction graphs:

1. Go to Cash flow → Reports → Graph.
2. Define the search criteria.
3. Click Start. The cash flow transaction of the
   specific cash instrument or the account balance
   of all the cash instruments will be displayed in
   the graph generated.
4. Click Close to exit.

## 3.2.4  Cash flow planning

The cash flow planning provides an overview of your expected income (cash inflow) and expenditure (cash outflow). The planning can help you to predict possible deficits and/or temporary surpluses, and adapt to them.

Cash flow planning has its advantages. For example, with the information obtained, you can quickly identify a shortage or surplus on a specific cash instrument. This can help you to decide on making an interbank transfer to update the balance. A temporary surplus in the current bank account can be transferred to a savings account. You can also prevent a shortage on a cash instrument by doing an interbank transfer, so you do not have to pay interest. Another possibility is that you can decide to take out a new loan to cover the (temporary) shortage.

| 900  Viking Computers: E-Projects/Manufacturing | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Cash flow – Planning** | | | | | | | | | |
| Bank account | Currency code | Current balance | Period Due 18/6/2012 | 1 19/6/2012 20/6/2012 | 2 21/6/2012 22/6/2012 | 3 23/6/2012 24/6/2012 | 4 25/6/2012 26/6/2012 | 5 27/6/2012 28/6/2012 | 6 >28/6/2012 |
| **Inflow** | | | | | | | | | |
| Not assigned | MYR | - | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 10 | MYR | - | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 20 | MYR | - | 600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 888844448888 | EUR | - | 21,219.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 888844448888 | MYR | - | 460,716.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | | 482,535.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Outflow** | | | | | | | | | |
| Not assigned | MYR | - | 7,429.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 10 | MYR | - | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 20 | MYR | - | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 888844448888 | EUR | - | 604,684.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 888844448888 | MYR | - | 377,232.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | | 989,345.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Inflow-Outflow** | | | | | | | | | |
| Not assigned | MYR | - | (7,429.00) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 10 | MYR | - | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 20 | MYR | - | 600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 888844448888 | EUR | - | (583,465.00) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 888844448888 | MYR | - | 83,484.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | | (506,810.00) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Balance** | | | | | | | | | |
| Not assigned | MYR | 0.00 | (7,429.00) | (7,429.00) | (7,429.00) | (7,429.00) | (7,429.00) | (7,429.00) | (7,429.00) |
| 10 | MYR | (191,792.00) | (191,792.00) | (191,792.00) | (191,792.00) | (191,792.00) | (191,792.00) | (191,792.00) | (191,792.00) |
| 20 | MYR | 755,508.00 | 756,108.00 | 756,108.00 | 756,108.00 | 756,108.00 | 756,108.00 | 756,108.00 | 756,108.00 |
| 888844448888 | EUR | 0.00 | (583,465.00) | (583,465.00) | (583,465.00) | (583,465.00) | (583,465.00) | (583,465.00) | (583,465.00) |
| 888844448888 | MYR | 0.00 | 83,484.00 | 83,484.00 | 83,484.00 | 83,484.00 | 83,484.00 | 83,484.00 | 83,484.00 |
| **Total** | | 563,716.00 | 56,906.00 | 56,906.00 | 56,906.00 | 56,906.00 | 56,906.00 | 56,906.00 | 56,906.00 |

**To generate cash flow planning:**

1.  Go to Cash flow → Reports → Various → Planning.
2.  Define the search criteria.
3.  Click **Start**. The cash flow planning will be displayed. Negative balances are displayed in red. The expected inflows and outflows are displayed per cash instrument. In addition, the balance per cash instrument and the total expected balance are also displayed.
4.  Click **Close** to exit.

## 3.2.5  Reproducing bank statements

Bank statements that have been imported can be
reproduced. Importing of bank statements has
been discussed in *2.4 Cash Inflow and Cash Outflow
Processes*.



To reproduce bank statements:

1.  Go to Cash flow → Cash instruments    Bank
    statement.
2.  Define the search criteria.
3.  Click **Start**. The **Report** screen will be displayed
    with the bank statement(s). You can click **Print**
    to print the bank statement or **Printer settings** to
    adjust the printer settings before printing.
4.  Click **Close** to exit.

## 3.2.6 Deposit ticket reports

Deposit tickets are slips that depositors are required to make out showing the respective amounts of cash, cheques, and others received from customers, which are deposited. They are kept by the banks and, if any dispute arises as to the amounts deposited, these slips are of great value.



**To generate deposit ticket reports:**

1.  Go to Cash flow → Reports → Deposit ticket report.
2.  Define the search criteria.
3.  Click **Start**. The deposit ticket report will be displayed. You can generate the report based on bank account number, deposit number, and deposit date. You can click **Print** to print the report or **Printer settings** to adjust the printer settings before printing.
4.  Click **Close** to exit.

### 3.2.7 Pre-cheque writing reports

A Pre-cheque writing report is an invaluable
document that is important for audit purposes and
serves as a control measure to determine who will be
paid prior to printing the cheques. Any selection can
be edited prior to payment.

This report provides you with a quick overview of what
the expected cash flow requirements are, per bank
account, for the specific number of cheques to be
printed, and subsequently signed.



To generate Pre-cheque writing reports:

1.  Go to Cash flow → Reports → Pre-cheque writing
    report.
2.  Define the search criteria.
3.  Click **Start**. The Pre-cheque writing report will be
    displayed. You can click **Print** to print the report
    or **Printer settings** to adjust the printer settings
    before printing.
4.  Click **Close** to exit.

# Advanced Features

# 4.  ADVANCED FEATURES

This section explains a number of special scenarios that occur during the cash flow process. Some of the examples would be handling payment differences when receiving cash, correcting wrong or bounced payments, handling prepayments and inter-bank transfers, and others. These are not explained in the cash flow process because they occur only under certain circumstances.

## 4.1  HANDLING PAYMENT DIFFERENCES WHEN RECEIVING CASH

When customers settle invoices or installments, they might not pay the full amount. Sometimes, they deduct a settlement discount or do not include a credit surcharge for a late payment. This receipt can be registered similarly to other cash flow transactions by manually entering or importing it. However, when you match this cash flow transaction with the applicable invoices or installments, a difference can occur depending on the invoice registered. This difference needs to be processed.

The following topics are relevant to this section:

- Expected settlement discounts or credit surcharges
- Unexpected settlement discounts or credit surcharges

## 4.1.1  Expected settlement discounts or credit surcharges

When you agree on a settlement discount or credit surcharge with your debtor in advance, you first have to create this payment condition. Creating the payment condition has been explained in *2.2 Purchase Flow (Cash Outflow) Process* and *2.3 Sales Flow (Cash Inflow) Process*.

When customers are entitled to a discount or need to pay a surcharge, the amount they pay will not be equal with the created invoice. The receipt of the payment and the payment difference need to be registered and matched with the original invoice.

3.  Go to the **Matching** screen by clicking **Match to invoices** under the **Matching & Processing** section (in the **Entry** screen at Cash flow → Entries → Cash flow). You can also match the receipt to the invoice at Cash flow → Entries → To be matched.
    The Entry screen at Cash flow → Entries → Cash flow applies to all the legislations except for United States, which has a different cash flow entry screen to cater to local requirements.
4.  Select the receipt and invoice (excluding discount) to be matched.
5.  Click **Match/Process**. The **Write off: Discount** screen will be displayed.
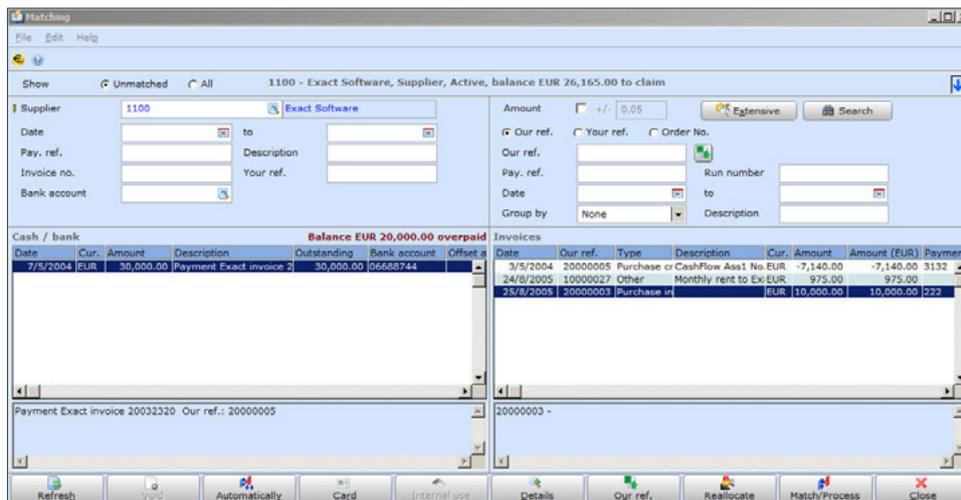


To handle payment differences with expected settlement discounts or credit surcharges:

1.  Create an invoice for a debtor that uses the agreed payment condition. For example, it uses the settlement discount of 10% if paid within 14 days. The entry application will then automatically generate two installments; one for the settlement discount and one for the invoice amount. Both installments will have the same due dates but the payment dates differ because to get the discount, you need to pay up within 14 days after the invoice date.
2.  When the debtor pays the invoice and deducts the discount, create the receipt at Cash flow → Entries → Cash flow or import it through Cash flow → Entries → Import.

6.  Click **Write off** to write off the discount if the debtor has paid within the agreed payment date or **Cancel** to keep the discount installment if the debtor did not pay within the agreed payment date and to exit the **Write off: Discount** screen. The **Matching** screen will be displayed.
7.  If the discount was written off, click **Close** in the **Matching** screen to exit but if the discount was not written off, select the discount installment and click **Match/Process**. The **Process** screen will be displayed.

8.  You now need to decide what to do with the difference by selecting one of the options provided in the **Process** screen and clicking **Process** to process the difference.

    - **Balance/Compress** – Select this option to process the difference as balance that the debtor needs to pay.
    - **Payment difference** – Select this option to process the difference as a payment difference between what the debtor has to pay and what has been paid.
    - **Discounts** – Select this option to write off the invoice amount to the general ledger account (if the debtor paid within the agreed payment date).
    - **Discounts (Including: Tax)** – There are two available options when this is selected. Select **Adjust: Revenue** to adjust the revenue and tax (the system will correct the tax as it reverses the financial transactions of the original invoice for the amount difference) or **Write off discount** to write off the discount to a specified general ledger account.
    - **Other** – Select this option if the difference does not fall within any of the available options and click 🔍 to select a general ledger to allocate the invoice or installment.

> **Note :**
> If the debtor paid the full invoice amount and did not take the discount (although he paid within the agreed payment date), match the receipt with both the invoice and discount installments at the same time. You can also decide to keep the installments for the outstanding settlement discount without matching or writing them off if the debtor did not pay on time and is therefore not entitled to the discount.

9.  Click **Close** to exit.

> **Tip :**
> If you select **Payment difference**, **Discounts**, **Discounts (Including: Tax)** or **Other**, you can define or change the write off date, reporting date, cost center, cost unit, and project code of the transaction under the **Transaction** section.

## 4.1.2  Unexpected settlement discounts or credit surcharges

Even if you did not agree on a payment condition with your debtors in advance that entitles them to a settlement discount or a credit surcharge, you still may not receive the full invoice amount. When a customer calculates an undeserved discount or forgets to add a surcharge, the amount you receive will not equal the amount you have invoiced and expected to be paid. These payment differences need to be booked or registered in a different manner.
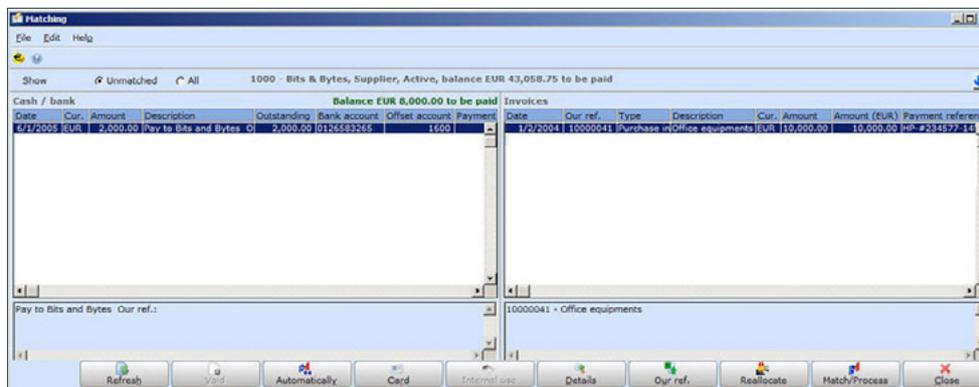


To handle payment differences with unexpected settlement discounts credit surcharges:

1. Create an invoice for a debtor that does not use a payment condition with a settlement discount or credit surcharge.
2. When the debtor pays the invoice, create the receipt at Cash flow → Entries → Cash flow or import it at Cash flow → Entries → Import.
3. Go to the Matching screen by clicking Match to invoices under the Matching & Processing section (in the Entry screen at Cash flow → Entries → Cash flow). You can also match the receipt to the invoice at Cash flow → Entries → To be matched.
4. Select the receipt and invoice(s) to be matched.

5.  Click **Match/Process**. The **Process** screen will be displayed.
    If the balance amount is not zero, it can either be "balance to be paid", "balance overpaid", or "balance to claim". In the **Process** screen, you need to decide what to do with the difference. For "balance overpaid", you can choose to process the difference as **Balance**, **Payment difference**, **Prepayment**, **Refund**, or **Other**.

    •   **Balance** – Select this option to process the difference as a balance that the debtor needs to pay.

    •   **Payment difference** – Select this option to process the difference as a payment difference between what the debtor has to pay and what has been paid.

    •   **Prepayment** – Select this option to process the difference as a prepayment. You can proceed to do the matching once you receive the invoice from the debtor.

    •   **Refund** – Select this option to process the difference as a refund. In the **Matching** screen, the payment under the **Cash/bank** section will be removed and the invoice under the **Invoices** section will no longer display the full amount but the difference that needs to be refunded.  You then go to Cash flow → Miscellaneous → Refund and define the search criteria.  Click **Additional criteria** to define the additional criteria, and then click **Close** to close the **Additional criteria** screen. Click **Display** to display the transactions according to the search criteria. Select the **To be authorized** check box to display the transactions that need to be authorized. Select the required transaction and click the **Authorized** box on the left. Then, select the **Already authorized** check box to display the transactions that are authorized but not processed. Select the required transaction and click the **Processed** box on the left. You have now authorized and processed the refund. You can then go to Cash flow → Entries → Cash flow and make the refund (payment)  to the debtor. This will create a payment under the **Cash/bank** section in the **Matching** screen. You can now automatically match the payment with the invoice (that displays the difference that needs to be refunded).

    •   **Other** – Select this option if the difference does not fall within any of the available options and click ▣ to select a general ledger to allocate the invoice or installment. For "balance to be paid" and "balance to claim", you can choose to process the difference as **Balance/Compress**, **Payment difference**, **Discounts**, **Discount (Including: Tax)**, or **Other**. Select an option in the **Process** screen and click **Process** to process the difference or click **Cancel** to cancel the process and to exit the screen.

6.  Click **Close** to exit.

## 4.2 CORRECTING WRONG OR BOUNCED PAYMENTS

In daily practice, mistakes can happen during a payment process. Before you send the payment to the bank (for example, electronically) or to your creditor (for example, by cheque) you may discover that you have made a mistake while processing the payment for a certain invoice or installment and want to process the payment again.

Another possibility is that after you have sent the payment to the bank or to your creditor, you found out that your payment has bounced and for a certain reason, the bank could not process your payment. Another incident could be that your creditor never got your payment by cheque. In this case, the payment must be cancelled. These "bounced" payments are not included in the bank statement.

4. Click **Reverse auth.** to remove the payment from the **Payments in transit** screen. The selected payment will be undone and the invoices or installments that were paid will be reopened. These reopened invoices or installments can again be authorized and processed. The payment will also no longer be displayed in the run in which it was processed. Therefore, after resetting the status, everything is back to the stage before the payment is processed. If any financial transactions were generated during the processing of the payment, these will be voided if the final posting has already occurred.

5. Click **Close** to exit.



**To correct wrong or bounced payments:**

1. Go to Cash flow → Payments → Payment in transit. The **Payments in transit** screen will be displayed.
2. At **Group by**, select the required option to group the processed payment according to **Accounts**, **Cash instruments**, **Payment reference**, **Payment date**, **Run number**, or **Details**. If you group by **Accounts**, you will see an additional field called **Name** and a search button next to **Group by**. Here, you can type the account name at **Name** and click **Search** to display the relevant payment in transit.
3. Select the required payment to be corrected.

## 4.3  MATCHING CASH FLOW TRANSACTIONS TO OTHER DEBTOR OR CREDITOR INVOICES OR INSTALLMENTS

In various cases, it is possible that an invoice has been sent to or received from one debtor or creditor but payment is made to another. An example is a head office of a corporation paying for an invoice that you have sent to their subsidiary.

The following topic is relevant to this section:

• Reallocation of debtors or creditors

### 4.3.1  Reallocation of debtors or creditors

When you receive money from one company but have invoiced another, reallocation of the debtor or creditor is necessary because cash flows can only be matched to invoices or installments listed to the same debtor or creditor.

6.   Select the required general ledger.
7.   Click **Match**. The **Matching** screen will be displayed.
8.   Click **Reallocate** to display the **Reallocate** screen.
9.   In the **Reallocate** screen, all information under the **To** section will be pre-filled (depending on the debtor or creditor selected) except **Suspense account**.
10.  At **Suspense account**, type or select the suspense general ledger account. The suspense account is used to transfer the invoice or installment from one debtor or creditor to the other.
11.  Type or select the debtor or creditor account from which reallocation is to be made at **Account** under the **From** section. **Account** will then change to **Debtor** or **Creditor** according to your selection and all invoices or installments related to that account will be displayed.
12.  Select the required invoice or installment.
13.  Click **Process**. The invoice or installment will be displayed in the **Matching** screen.
14.  In the **Matching** screen, select the invoice or installment.



To reallocate debtors or creditors:

1.   Go to Finance → Accounts receivable → Cards or Finance → Accounts payable → Cards.
2.   Define the search criteria.
3.   Click **Search**. A list of debtors or creditors that match the search criteria will be displayed.
4.   Select the debtor or creditor to reallocate the invoice or installment.
5.   Click **Display**. The **Debtor card** or **Creditor card** screen will be displayed with information, such as the general ledger number, general ledger description, debit amount, credit amount, and balance amount.

15.  Click **Match/Process**. The **Process** screen will be displayed.
16.  In the **Process** screen, select **Other**.
17.  Click 🔍 to select the correct general ledger account. The invoice or installment will be removed from the **Matching** screen.
18.  Click **Close** to exit.

## 4.4  HANDLING PREPAYMENTS AND INTERBANK TRANSFERS

The following topics are relevant to this section:

* Handling prepayments
* Handling interbank transfers

### 4.4.1  Handling prepayments

A prepayment involves creating and making a payment prior to receiving or sending the purchase or sales invoice. The prepaid term then needs to be authorized and processed. A prepayment is created in the purchase or sales orders. It can also be created in the cash flow module.



To create prepayments:

1. Go to Cash flow → Payments → Prepayments & transfers.
2. Click **New** to display the **Prepayment** screen. This is the default screen.
3. Define the information about the prepayment, such as the cash instrument from which payment is made, amount, currency, payment reference, purchase order number, and others.
4. Click **Save** to save the information.
5. Click **Close** to exit.

To authorize prepayments:

1. Go to Cash flow → Payments → Authorize.
2. Define the search criteria. Click **Additional criteria** to define more criteria, and then **Close** to close the **Additional criteria** screen.
3. Click **Display** to display the transactions according to the search criteria defined.
4. Select the **Prepayment** check box to view prepayment transactions.
5. Select the required transaction.
6. Click **Authorize**.
7. Click **Close** to exit.

**To process prepayments:**

1.  Go to Cash flow → Payments → Process.
2.  Define the search criteria. Click **Additional criteria** to define more criteria, and then **Close** to close the **Additional criteria** screen.
3.  Click **Display** to display the transactions according to the search criteria defined.
4.  Select the **Prepayment** check box to view prepayment transactions.
5.  Select the required transaction.
6.  Click **Process**.
7.  Click **Close** to exit.

After the bank has processed the prepayment and you have manually registered the entry or imported the bank statement, you can proceed to do the matching.

**To match prepayments:**

1.  Go to Cash flow → Payments → Authorize or Cash flow → Payments → Process.
2.  Click **Display** to display the **Authorize** or **Process** screens respectively.
3.  Select the **Prepayment** check box to display the prepayments.
4.  Select the required transaction.
5.  Click **Match**. The **Matching** screen will be displayed.
6.  Click **Automatically** to match the transactions automatically. The transactions will be removed from the **Matching** screen.
7.  Click **Close** to exit.

## 4.4.2 Handling interbank transfers

Transfers refer to Electronic Funds Transfer (EFT). EFT enables corporations and individuals to provide secure direct payments electronically without issuing paper cheques or moving cash monies.

4. Select the **To be authorized** check box to view transactions that need to be authorized.
5. Select the required transaction.
6. Click **Authorize**.
7. Click **Close** to exit.



### To create interbank transfers:

1. Go to Cash flow → Payments → Prepayments & transfers.
2. Click **New** to display the **Prepayment** screen.
3. At **Entry**, select **Transfer**.
4. Define the relevant information about the transfer, such as the cash instrument from which payment is to be made, cash instrument to which payment is to be received, amount, currency, date of transfer, payment reference, and others.
5. Click **Save** to save the information.
6. Click **Close** to exit.

### To authorize interbank transfers:

1. Go to Cash flow → Payments → Authorize.
2. Define the search criteria. Click **Additional criteria** to define more criteria, and then click **Close** to close the **Additional criteria** screen.
3. Click **Display** to display the transactions according to the search criteria defined.

**To process interbank transfers:**

1. Go to Cash flow → Payments → Process.
2. Define the search criteria. Click **Additional criteria** to define more criteria, and then click **Close** to close the **Additional criteria** screen.
3. Click **Display** to display the transactions according to the search criteria defined.
4. Select the **Already authorized** check box to view transactions that are already authorized but need to be processed.
5. Select the required transaction.
6. Click **Process**.
7. Click **Close** to exit.

After the bank has processed the transfer and you have manually registered the entry or imported the bank statements for both cash instruments, you can proceed to do the matching. Before matching, make sure both the cash flow transactions (payment and receipt) are allocated to the default company account code at System → General → Settings → Company data settings.

**To match interbank transfers:**

1. Go to Cash flow → Entries → Cash flow.
2. Define the search criteria.
3. Click **Refresh** to view the transfer transactions.
4. Select the required transfer to match.
5. Click **Edit**. The **Entry** screen will be displayed.
6. Under the **Matching & Processing** section, click **Interbank**. The **Matching** screen will be displayed.
7. Click **Automatically** so both the payment and receipt will be automatically matched and removed from the **Matching** screen.
8. Click **Close** to exit.

## 4.5  ADVANCED MANAGEMENT OF LETTERS OF CREDIT, CHEQUES, AND POST DATED CHEQUES

It is possible to generate an overview of all cheques, post dated cheques, or letters of credit in your administration that have been used to make or receive payments. This enables you to quickly see the outgoing and incoming cash flows through the payment instruments. You can also manage letters of credit, cheques, and post dated cheques at an advanced level. such as authorizing, matching, processing payments to creditors or receiving, depositing, settling payments from debtors.

For advance management of instruments, select the **Advanced: Instrument handling** check box at System → General → Settings → Bank settings under the **General** section.

7.  Select the required transaction to be authorized.
8.  Click **Authorize**. The authorized transaction will be displayed if **Authorized** is selected. If you have authorized the wrong transaction, you can undo the mistake by selecting the wrongly authorized transaction and clicking **Reverse auth.**. The transaction will be displayed again if **Prepayment** or **Invoices** is selected.
9.  Click **Close** to exit.
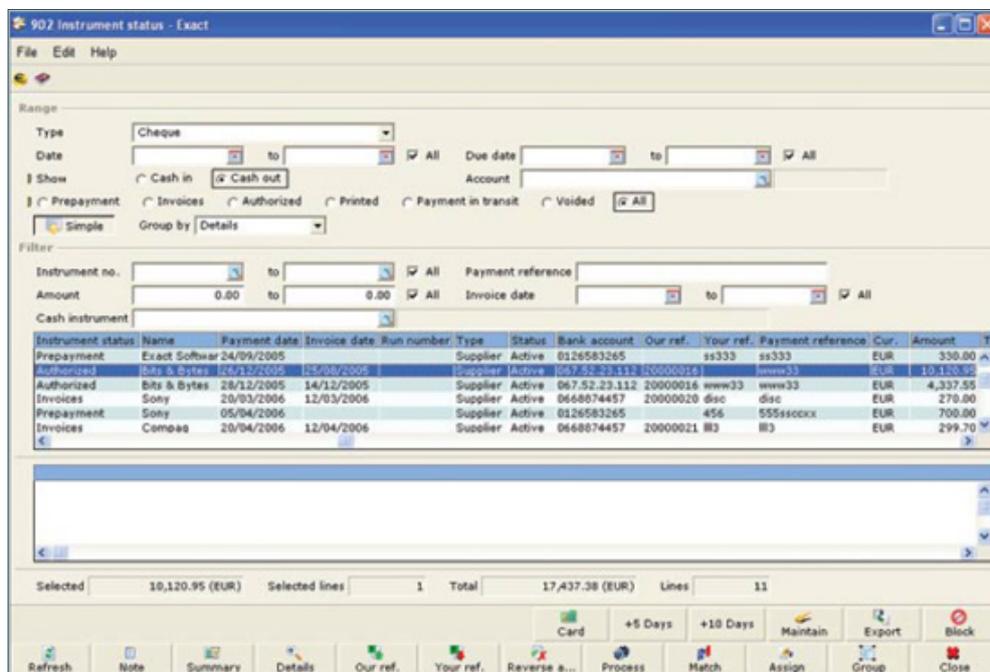


To authorize payments:

1.  Go to Cash flow → Miscellaneous → Instrument status.
2.  At **Type** under the **Range** section, select **Letter of credit**, **Cheque** or **Post dated cheque**.
3.  At **Show**, select **Cash out**.
4.  Select **Prepayment** or **Invoices** below **Show**.
5.  Define the other search criteria.
6.  Click **Advanced** to display the **Filter** section. Define the search criteria.

**To match payments:**

1. Go to Cash flow → Miscellaneous → Instrument status.
2. At **Type** under the **Range** section, select **Letter of credit**, **Cheque** or **Post dated cheque**.
3. At **Show**, select **Cash out**.
4. Select **Prepayment**, **Invoices**, **Authorized**, **Printed**, or **Payment in transit** below **Show**.
5. Define the other search criteria.
6. Click **Advanced** to display the **Filter** section. Define the search criteria.
7. Select the required transaction to match.
8. Click **Match**. The **Matching** screen will be displayed.
9. Click **Automatically** to automatically match the payment and invoice(s) or click **Match/Process** to manually perform the matching process. If matching is for a VAT term and the VAT return has not been generated, you need to type a password before you are able to perform the match or process function. If the balance amount displayed at the top center of the **Cash/bank** and **Invoices** sections is zero, the selected transactions will be matched and removed from the screen. If there are differences to be settled with the invoice amount, the decision must be made on how to write off these differences. If there are differences to be settled, the **Process** screen will be displayed.
10. Select the relevant options, such as **Balance**, **Payment difference**, **Refund**, **Discount** and more.
11. Click **Process**.
12. Click **Close** to exit.

**To process payments:**

1. Go to Cash flow → Miscellaneous → Instrument status.
2. At **Type** under the **Range** section, select **Letter of credit**, **Cheque** or **Post dated cheque**.
3. At **Show**, select **Cash out**.
4. Select **Authorized** below **Show**.
5. Define the other search criteria.
6. Click **Advanced** to display the **Filter** section. Define the search criteria.
7. Select the required transaction in the overview.

8. Click **Process**. The **Enter: Instrument number** screen or the **Earned discount/Write off: Credit surcharge** screen (applicable for invoices with discounts or credit surcharges) will be displayed. In the **Earned discount/Write off: Credit surcharge** screen, click **OK** to proceed or **Cancel** to exit. If you proceed, the **Enter: Instrument number** screen will be displayed.
9. At **First: Instrument number** and **Layout name**, you can edit the pre-filled options.
10. Click **OK** to proceed or **Cancel** to exit.
11. If you choose to proceed, the **Instrument status** screen will be displayed with the message "Trial print?" Click **Yes** for a trial print, **No** for an actual print, or **Cancel** to exit.
12. The **Instrument status** screen will be displayed with the message "Print job successful?" Click **Yes** if printing was successful or **No** to reprint. If you choose to reprint, the **Reprint** screen will be displayed. You have the option to reprint, delete, or void the document. Once the document has been printed, it will be displayed if **Printed** is selected. If you have accidentally processed the wrong document, you can undo the mistake by selecting the processed document and clicking **Reverse auth.**. The document will be displayed again if **Invoices** or **Prepayment** is selected. You can also void the processed document by selecting the processed document and clicking **Void**. Once the document has been voided, it will be displayed if **Voided** is selected.
13. Click **Close** to exit.

To receive payments:

1. Go to Cash flow → Miscellaneous → Instrument status.
2. At **Type** under the **Range** section, select **Letter of credit**, **Cheque** or **Post dated cheque**.
3. At **Show**, select **Cash in**.
4. Select **Invoices** or **Printed** below **Show**. Define the other search criteria.
5. Click **Advanced** to display the **Filter** section. Define the search criteria.
6. Select the required transaction in the overview.
7. Click **Receive**. The **Received: Bill of exchange** screen will be displayed for letters of credit, **Received: Cheque** screen will be displayed for cheques, and **Received: Post dated cheque** screen will be displayed for post dated cheques.
8. Make sure the information on the screen is correct (some of the information can be edited).
9. Click **OK** to receive the payment or **Cancel** to exit. The payment that has been received will now be displayed if **Received** is selected. If you received the wrong payment and want to undo the mistake, select the received payment and click **Delete**. The payment will be displayed again if **Invoices** is selected.
10. Click **Close** to exit.

> **Note :**
> It is possible to receive, deposit, and settle a letter of credit. However, after a deposit, the letter of credit may bounce. This can be due to several reasons, such as the documents presented by the seller do not conform to the documents needed under the letter of credit or the documents are not presented within the required time frame. In this case, a new letter of credit will be provided. When receiving the new letter of credit, a pop-up screen will be displayed. You can select **Continue** and click **Yes** to receive the letter of credit using the same number as the bounced letter of credit, select **Use next available number** and click **Yes** to receive the letter of credit using the next number, or click **No** to exit and manually specify a new letter of credit number.

To deposit payments:

1. Go to Cash flow → Miscellaneous → Instrument status.
2. At **Type** under the **Range** section, select **Letter of credit**, **Cheque** or **Post dated cheque**.
3. At **Show**, select **Cash in**.
4. Select **Received** below **Show**. Define the other search criteria.
5. Click **Advanced** to display the **Filter** section. Define the search criteria.
6. Select the required transaction in the overview.
7. Click **Deposit**. The **Deposit: Bill of exchange** screen will be displayed for letters of credit, **Deposit: Cheque** screen will be displayed for cheques, and **Deposit:Post dated cheque** screen will be displayed for post dated cheques.
8. At **Deposit For** under the **Deposit** section (only enabled for letters of credit), select **Collection** or **Discount**.
9. At **To cash instrument**, type or select the cash instrument number.
10. Click **Deposit** to deposit the payment or **Cancel** to exit. The **Bill settlement: Cash instrument** screen will be displayed if **Deposit** is clicked.
11. Type or select the **Cash instrument** number.
12. Click **OK** to proceed or **Cancel** to exit. The payment that has been deposited will now be displayed if **To be discounted** (this is only applicable for letters of credit that have been used for discounted payments) or **To be collected** is selected. When **To be collected** is selected, you can reverse the deposited date by selecting the payment and clicking **Reverse**. The **Reverse Date** screen will be displayed. At **Reverse Date**, type or select the new date. Click **OK** to proceed or **Cancel** to exit. The payment with the reversed date will be displayed again if **Received** is selected.
13. Click **Close** to exit.

To settle records of payments that have been collected:

1. Go to Cash flow → Miscellaneous → Instrument status.
2. Under the **Range** section at **Type**, select **Letter of credit**, **Cheque** or **Post dated cheque**.
3. At **Show**, select **Cash in**.
4. Select **To be collected** or **Bank statement** below **Show**. Define the other search criteria.
5. Click **Advanced** to display the **Filter** section. Define the search criteria.
6. Select the transaction in the overview.
7. Click **Settle**. The **Settle: Bill of exchange** screen will be displayed for letters of credit, **Settle: Cheque** screen will be displayed for cheques, and **Settle: Post dated cheque** screen will be displayed for post dated cheques.
8. Make sure the information on the screen is correct (some of the information can be edited) and click **Settle** to settle the payment or **Cancel** to exit. The payment that has been settled will still be displayed if **To be collected** is selected. You can reverse the settlement by selecting the settled payment and clicking **Unsettle**.
9. Click **Close** to exit.

To bounce payments:

1. Go to Cash flow → Miscellaneous → Instrument status.
2. At **Type** under the **Range** section, select **Letter of credit**, **Cheque** or **Post dated cheque**.
3. At **Show**, select **Cash in**.
4. Select **To be collected** or **To be discounted** (only applicable for letters of credit with discounts or credit surcharge) below **Show**. Define the other search criteria.
5. Click **Advanced** to display the **Filter** section. Define the search criteria.
6. Select the required transaction in the overview.
7. Click **Bounce**. The **Bounce: Bill of exchange** screen will be displayed for letters of credit, B**ounce: Cheque** screen will be displayed for cheques, and **Bounce:Post dated cheque** screen will be displayed for post dated cheques.
8. Make sure the information on the screen is correct (some of the information can be edited) and click **Bounce** to bounce the payment or **Cancel** to exit. The payment that has been bounced will be displayed if **Bounced** is selected.
9. Click **Close** to exit.

To confirm letters of credit that need to be discounted:

1. Go to Cash flow → Miscellaneous → Instrument status.
2. At **Type** under the **Range** section, select **Letter of credit**.
3. At **Show**, select **Cash in**.
4. Select **To be discounted** below **Show**. Define the other search criteria.
5. Click **Advanced** to display the **Filter** section. Define the search criteria.
6. Select the required transaction in the overview.
7. Click **Confirm**. The **Finance: Bill of exchange** screen will be displayed.
8. Fill in the information, such as **Discount %/ Amount and Bank costs/VAT** if applicable.
9. Click **Accept** to accept the discounted letter of credit or **Reject** to reject the letter of credit. **Rejected** letters of credit will be displayed if **Received** is selected.
10. Click **Close** to exit.

To print payment invoices using letters of credit:

1. Go to Cash flow → Miscellaneous → Instrument status.
2. At **Type** under the **Range** section, select **Letter of credit**.
3. At **Show**, select **Cash in**.
4. Select **Invoices** below **Show**.
5. Define the other search criteria.
6. Click **Advanced** to display the **Filter** section. Define the search criteria.
7. Select the required transaction in the overview.
8. Click **Print**. The **Enter: Instrument number** screen or **Earned discount/Write off: Credit surcharge** screen (applicable for invoices with discounts or credit surcharges) will be displayed. In the **Earned discount/Write off: Credit surcharge** screen, click **OK** to proceed or **Cancel** to exit. If you choose to proceed, the **Enter:Instrument number** screen will be displayed.
9. At **First: Instrument number** and **Layout name**, edit the pre-filled options.
10. Click **OK** to proceed or **Cancel** to exit.
11. If you choose to proceed, the **Instrument status** screen will be displayed with the message "Trial print?". Click **Yes** for a trial print, **No** for an actual print, or **Cancel** to exit.
12. The **Instrument status** screen will be displayed with the message "Print job successful?". Click **Yes** if printing was successful or **No** to reprint. If

you choose to reprint, the **Reprint** screen will be displayed. You have the option to reprint, delete, or void the document. Once the document has been printed, it will be displayed again if **Printed** is selected. If you have accidentally printed the wrong document, you can undo the mistake by selecting the printed document and clicking **Delete**. The document will now be displayed again if **Invoices** is selected.

13.   Click **Close** to exit.


## 4.6  USING EXTERNAL NUMBERING

External numbering is a functionality offered by Exact Globe Next that provides you with the flexibility to use the external numbers in your business documents apart from the standard numbering system based on the numbers at **Entry**, **Our reference**, and **Your reference**.

In addition, the external numbering functionality caters to users in some countries where the legislation requires businesses to use a numbering system, in which documents generated from different business transaction types are to use different sets of numbers. In certain countries, these numbers must meet specific format requirements, such as to include prefixes and masks. For these reasons, you can now choose to enable the external numbering functionality in your system to cater to the additional needs of your business.

In line with the external numbering functionality, you can define the numbering rules and the number ranges for the external numbers. The system will then assign external numbers for the specific business transactions based on the defined numbering rules and number ranges. Meanwhile, the external numbers will be printed on the final printed documents if you have added the external number field in the document layouts.

### 4.6.1  Setting up external numbering functionality

Before you can use the external numbering functionality, you need to enable this functionality in Exact Globe Next. After you have enabled the functionality, you will then be able to see two new menu paths, which include System → Logistics → External numbering → Numbering rules and System → Logistics → External numbering → External numbers.

6.  Click **Close** on the main menu to exit the software, and then restart the software. You will see two new menu paths, which include System → Logistics → External numbering → Numbering rules and System → Logistics → External numbering → External numbers.



To set up the external number functionality:

1.  Go to System → General → Settings.
2.  Click **Numbers settings** under the **Settings** section.
3.  Under the **General** section, select the **Use external numbering** check box.
4.  Click **Save**, and the message "Changes will only take effect after restarting the software" will be displayed.
5.  Click **OK**.

## 4.6.2  Creating numbering rules

After you have enabled the external numbering setting you can create the numbering rules which will determine the external numbers to be generated. By creating the numbering rules, you can define the transaction types, optional conditions, and number ranges to be used to generate the external numbers. The system will refer to these criteria when assigning the external numbers to your business documents.

this, you are selecting the transaction type(s) to be used in the numbering rule. If you want to move any of the transaction types from the **Selected** box to the **Available** box, select the transaction type(s) in the **Selected** box, and then click ◄◄. By doing this, you can delete the transaction type(s) selected earlier to be used in the numbering rule.
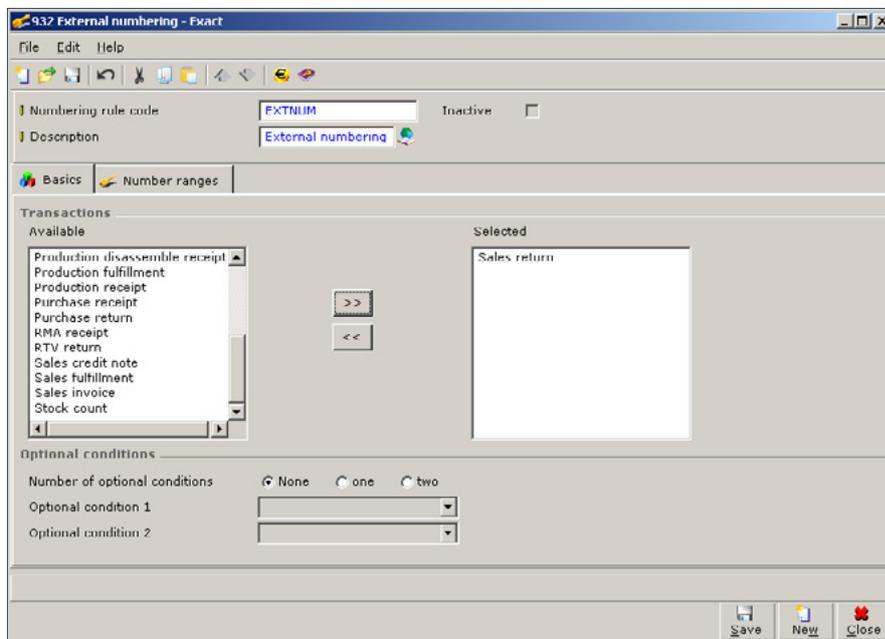


**To create numbering rules:**

1. Go to System → Logistics → External numbering → Numbering rules.
2. Click **New**.
3. Type a code for the new numbering rule at **Numbering rule code**. This is mandatory.
4. At **Description**, type a description for the new numbering rule. This is mandatory. Click 🌐 to type the description in foreign languages which have been defined in the **Descriptions in list boxes** section at **General settings**. For more information, see *Setting up general settings* in *1.1 System Settings*.
5. Under the **Basics** tab under the **Transactions** section, the **Available** box lists all the available transaction types which you can select for use in the numbering rule. Select the transaction type(s), and then click ►► to move the selected transaction type(s) to the **Selected** box. By doing

6. At **Number of optional conditions** under the **Optional conditions** section, select **None**, **one**, or **two** to define the number of optional conditions you want to use in the numbering rule. Optional conditions are used if you want to further define the conditions of every numbering rule. These optional conditions are important when generating the external numbers within a number range and at the same time, help to speed up data retrieval in the reports.
7. Based on the **Number of optional conditions** defined, select the optional conditions to be used at **Optional condition 1** and **Optional condition 2**. If **None** is selected at **Number of optional conditions**, the **Optional condition 1** and **Optional condition 2** fields will be disabled. If **one** is selected, you can select **Cost center**, **Person**, or **Warehouse** at **Optional condition 1** while the

Optional condition 2 field will be disabled. If **two** is selected at **Number of optional conditions**, you can select two optional conditions to be used with the available options of **Cost center**, **Person**, and **Warehouse**. However, the optional condition selected at **Optional condition 1** and **Optional condition 2** must be different. For an existing numbering rule which is linked to number ranges, the **Optional conditions** section will be disabled for editing.

8.  Click **Save** to save the numbering rule. By default, a newly created numbering rule will be activated. As such, when you are creating a numbering rule, the **Inactive** check box will be disabled. The check box will be enabled only after you have clicked **Save** to save the new numbering rule.

9.  Under the **Number ranges** tab, click [icon] **New** to create number ranges for the numbering rule. The **Number range** screen will be displayed.
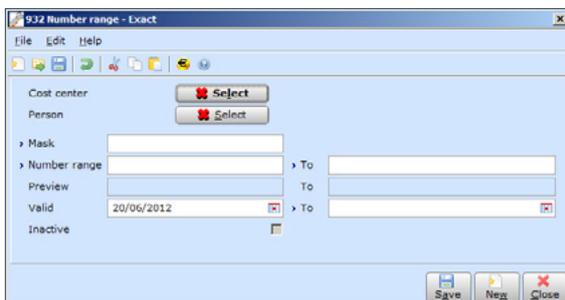


10. **Optional condition 1** and **Optional condition 2** will be disabled if you have selected **None** at **Number of optional conditions** under the **Optional conditions** section. If you have defined to use one or two optional conditions and selected the optional conditions under the **Optional conditions** section, the label of the **Optional condition 1** and **Optional condition 2** fields as shown in the preceding image will display the optional conditions you have selected. For example, if you have selected **Cost center** as the optional condition 1 and **Person** as the optional condition 2 under the **Optional conditions** section, the **Optional condition 1** field will be displayed as **Cost center**, while the **Optional condition 2** field will be displayed as **Person** in the **Number range** screen.

11. Next, click [icon] **Select** to select the optional condition values to be used to generate the external numbers if you are using the optional conditions. For example, if you have selected to use **Cost center** as the optional condition 1, click **Select** to select the cost center(s) to use the number ranges for the transactions involving the selected cost center(s). In this example, you will see the **Optional condition** box displaying all the active cost centers in the system. Select the cost center(s) and click **Select** to select the cost center(s) that the number ranges will be created for. Alternatively, double-click a cost center to select the cost center. A green check mark will be displayed under the **Select** column to indicate that the cost center(s) has been selected. Click **Deselect all** to clear the selection of all the selected cost centers. To clear the selection of a specific selected cost center, double-click the selected cost center or click **Select** again. Click **Close** to exit. By doing this, you can create different number ranges for transactions involving different cost centers or one number range for use by multiple cost centers.

12. At **Mask**, type the mask for the number range. This information is mandatory. You can type up to 30 characters in this field. The mask is case-sensitive and it can contain a separator as well as any symbol, except "**#**" and "[icon]" (ENTER key on the keyboard) when you define a prefix for the mask. A <space> is allowed in between the mask. However, it cannot be placed before or after the mask as all spaces will be trimmed by the system during the numbers generation. In addition, the mask must represent the running number format which is indicated by the "**#**" symbol. For example, if you want to create a mask with prefix "ABC" and the running number to contain three digits, you can type "SALEINVOICE-###" at **Mask**. You should type at least one "**#**" at **Mask** to represent the running number format in the number range.

13. Type the start and end numbers for the number range at **Number range > To**. This information is mandatory. The maximum number of digits allowed will depend on the mask you have defined. For example, if you have typed "SALEINVOICE-###" at **Mask**, the maximum number of digits that you can type as the start and end numbers in the number range will be three as indicated by the three "#" symbols in the mask. The start and end numbers must not be equal to "0" and the start number must be a smaller number than the end number in the number range. For example, you type "1" in **Number range** and "999" at **To**. The resulting number range will start from SALEINVOICE-001 to SALEINVOICE- 999 as shown at **Preview**.

14. At **Valid > To**, type or select the validity date range for the number range. This determines the life cycle of the number range. By default, the start date of the validity period will show the current date when you create a number range. The start date is mandatory. However, you can leave the **To** field empty. You may want to do this if you want to use the number range for as long as you desire, and will only enter an end date when your business requires so. Once an external number from the number range has been used, you cannot change the start date of the number range. In addition, the validity period of the number range cannot overlap with the validity period of other existing number ranges in the numbering rule. For example, you have an existing number range with the validity period from 01-01-2012 to 31-12-2012. If you create a number range now with a validity period from 01- 06-2012 to an undefined end date, you will see this message "This range is overlapping with one of the existing number range's criteria: Life cycle" once you click **Save** to save the new number range. Click **OK** to close the message, and then change the start date so that it will not overlap with the existing number range.

15. Click **Save** to save the number range.

**Note :**
When you create a number range, by default, the **Inactive** check box is disabled. This means, the status of a new number range is automatically set to **Active**. The check box will be enabled only when you edit an existing active number range. Select the check box to deactivate the number range. Once you have selected the check box, the message "Set to inactive?" will be displayed. Click **Yes** to deactivate the number range, and then type the reason for deactivating the number range in the **Note** box. Click **Save** to save the note. Once you have deactivated a number range, you are not allowed to reactivate the number range. The system will delete all the unused external numbers in the number range and update the end number of the number range to equal to the last assigned number. If the number range has not been used, the deactivation process will reset the start and end numbers of the number range to "0".

When you are using the external numbering functionality in the system, you can define the external number as criteria to generate certain financial reports as well as view the external numbers used in the various transactions. The following list displays the menu paths where external numbers are used:

- Cash flow → Entries → Cash flow
- Cash flow → Entries → Cash flow
- Cash flow → Cash instruments → Select / Search
- Cash flow → Miscellaneous → Terms
- Cash flow → Miscellaneous → Instrument status
- Cash flow → Miscellaneous → Refund
- Cash flow → Collections → Collection
- Cash flow → Payments → Prepayments & transfers
- Cash flow → Payments → Process

**Appendix 1**

# Product Update Changes

# APPENDIX 1: PRODUCT UPDATE CHANGES

| Product Update | Chapter |
|---|---|
| 404 | All chapters |
| 407 | 1.1.2, 2.4.2 |
| 410 | 1.1.1, 2.4.5, 3.1.2 |

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