

Sage 200 Accounts v2009 is supplied with a new help system. The new help system is complemented by a comprehensive search facility across all of the accounting modules.

We have provided this *Sage 200 v5.1 Purchase Ledger PDF* for your reference only. All of this information and all **new features** are described in the **help** system.



Purchase Ledger Guide

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1

Welcome

Welcome to the Sage 200 Purchase Ledger and to the *Sage 200 Purchase Ledger* Documentation.

Sage 200 is a .Net accounting system which offers a complete accounting solution to meet your business needs.

The Purchase Ledger is one of four financials modules within the Sage 200 Financials Suite.

There are also four commercial modules, a Bill of Materials module and an Accounting System Manager module. Each module has its own User Guide. The Price Book module is described within the Sales Order Processing documentation.

In this chapter:

Using this Guide

What the Purchase Ledger offers your business

How the Purchase Ledger helps financial operations

The supplier account

Chapter summary

Using This Documentation

This User Guide provides information on how to use the Sage 200 Purchase Ledger. We hope you find it comprehensive and easy to use. If you want to email us with your comments, please email the Sage 200 Documentation Team at SageTechnicalAuthors@sage.com and mark the subject line as 'Sage 200 v5'.

Process-oriented approach

This User Guide is written to describe the processes that you will go through when setting up your ledger, creating supplier accounts, processing transactions, and controlling purchase debt.

Where the processes comprise of more than one activity, a snapshot of activities is provided in the coloured side panel on the first page of all chapters. Where it does not, a snapshot is provided of the topics included in the chapter.

Conventions

- References to other sections in this User Guide, or to other guides are given in *italics*.
- Navigation to a window is illustrated by the name(s) you need to choose separated by a symbol >. For example, Choose Purchase Accounts > Account Details means choose the Purchase Accounts option and then the Account Details option.
- References to on-screen items are enclosed in single quotation marks. For example, on the 'Contacts' tab click 'Save'.
- Where there are prerequisites to performing activities these are indicated graphically using the ✓ symbol so you can easily identify them.

For detailed information on the operation of Sage 200, please refer to your *Sage Operations* Documentation.

Sage 200 Purchase Ledger

Sage 200 Purchase Ledger lets you take care of the business transactions you make with your suppliers. It provides functions to maintain details of your supplier accounts and to control purchase debt.

You can enter all the important details about your suppliers. You can log any invoices or credit notes received, record payments and refunds and keep track of all the amounts outstanding. Built-in reports and enquiry screens tell you what and when payments are due. To help you in your task of dealing with outstanding accounts, the Purchase Ledger offers automatic payment processing and cheque and remittance advice printing, provided you are using the Cash Book module.

If you use the Sage e-Banking facility, you can make electronic bank payments using the Purchase Ledger.

Note: You must enable the facility in the Cash Book module to link the Cash Book to your bank's electronic banking program.

What the Purchase Ledger offers your business

The Purchase Ledger provides the options you need to control your business finances. The Purchase Ledger keeps records of each of your suppliers. Each record consists of the supplier name and address, contact, telephone number and fax. In addition to the details of who the suppliers are, the account record contains information with respect to the terms of business, such as defaults for transaction processing, settlement discount and credit limit.

If you have foreign currency suppliers, the Purchase Ledger maintains the balance of the account in both the supplier's operating currency and your base currency. For EC VAT analysis purposes, you can store the country code and VAT registration number for companies in EC member states outside the UK, and the program accumulates the necessary details for an EC purchase listing.

The transaction entry routines provide for all kinds of purchase postings including invoices, credit notes and opening balances. You can also enter transactions as batches, with or without a batch control total to check for missing postings. When you make postings in the Purchase Ledger, all the appropriate Nominal Ledger postings are generated automatically for you. Any vatable postings are automatically posted to the VAT Return. The Purchase Ledger keeps track of your supplier's turnover automatically as invoices and credit notes are posted.

When a payment is posted, you can either allocate it to outstanding invoices or post it on account; it can then be allocated later. When payments are posted for foreign currency transactions, the Purchase Ledger can take care of the related charges and record the gain or loss

for exchange rate differences. Payments and refunds are automatically generated for the bank account involved.

Cheques and remittance advices can be produced for payments made either manually or through an automatic payments routine and you can print a report of suggested payments. This report takes into account settlement discount entitlement, helping you make the most of the terms on offer.

The Purchase Ledger provides reports for you to use immediately. All you need is your data. They range from straightforward account listings to detailed analysis of balances and transactions, day books and analysis reports. You can print your reports to a printer installed in Windows and you can preview reports on screen as well as filing them for printing at a later date, if you prefer. For more information see your *Sage Operations* Documentation. If you want to design your own reports you can use the Sage Report Designer. For more information see your *Sage Report Designer Documentation*.

You can produce reports showing the outstanding invoices aged across previous periods and highlighting due dates so you can see at a glance which ones need attention.

At the end of each day and month, there are certain housekeeping activities that have to be done. You need to ensure any information that has been entered by an external means or is accumulated in other Sage 200 modules that has not already been added to the purchase records on-line, is transferred to the ledger.

At the period end, the program clears allocated transactions from the accounts to keep the ledger tidy and update your month-to-date totals.

How the ledger helps financial operations

Sage 200 helps you to manage your supplier accounts by:

- Providing you with an integrated system of accounting within which to manage your supplier accounts and apply your purchase information.
- Providing you with control of your supplier accounts at several levels within the integrated system.

System integration

The Purchase Ledger is designed to integrate with the following modules.

Integrate with	Integrate how
Sales Ledger	Where a customer is also a supplier, enter Sales Ledger contra entries within the Purchase Ledger to allocate sales invoices against purchase invoices.
Cash Book	Sends supplier receipts and payments directly to the Purchase Ledger when recorded in the Cash Book.
Nominal Ledger	Send details of purchase values, VAT, discount, and so on, to the Nominal Ledger to provide accurate figures for your Profit and Loss and Balance Sheet reports.
Purchase Order Processing	Sends invoice and credit note transactions to Purchase Ledger accounts. Also, order priorities set on the supplier's account in the Purchase Ledger are displayed in the Purchase Order Processing.

Benefits of integration

The main benefit of using an integrated system is that you only need to enter information once, in one module, and it is used in the relevant areas.

Sage 200 automatically handles common data, ensuring the appropriate information is directed to the relevant modules. This saves you time as the information only has to be typed in once, and it also reduces the risk of errors as you do not have to enter the same information twice.

To pass information between modules, you need only:

- Ensure that the appropriate account codes match between your modules.
- Select the 'Update Pending Transactions' routine from the 'Period End Routines' within each module.

Control of accounts

You can control your supplier accounts through the definition and application of settings at three levels within Sage 200.

- Global level

Define settings using Accounting System Manager and the Nominal Ledger. These apply throughout Sage 200 and you can apply them within your Purchase Ledger. These settings provide the broadest level of control within your Sage 200 system. They help you to define the operation of Sage 200 in the best way for your organisation.

- Module level

Apply global settings, and define settings using the Purchase Ledger, which apply when you create new accounts or process transactions in the Purchase Ledger. These allow you to specify your preferred supplier account information when you create new purchase accounts and process transactions.

Using module settings can save you time when you are creating supplier accounts and processing transactions. If you know in advance, for example, that most of your purchase accounts will use the same settlement discount figure then entering this figure at the module level will save you typing it in each time you create a new purchase account. Or if you know that you want to store transactions for all accounts for 36 months then you would set this up at module level.

- Account level

Apply module settings, and define settings specific to each account when you create new accounts or process transactions in the Purchase Ledger. These are local and unique to each supplier account.

Note: Global level settings apply within the module. Module level settings apply at the supplier account level, although you can override module level settings on the supplier account.

The Supplier Account

The supplier account holds the details that identify a supplier and describe the terms of business you have agreed between you. Each supplier account is created with an opening balance. This shows how much you are in debit or credit with your supplier.

The supplier profile of outstanding debts is the most dynamic area of the Purchase Ledger. It changes constantly as transactions are passed through the system. It is the area of the Purchase Ledger that you are most likely to be operating within several times a day. You can add invoices, view outstanding transactions, make payments and allocate payments to outstanding transactions depending on the type of supplier account you have created.

Types of account

There are three types of supplier account you can create, Open Item, Balance Forward and Automatic Allocation. For more information, see *Account types on page 48*.

You can combine the three types of accounts within your Purchase Ledger in any mix that you want. The type of account you create can help you balance your need for a detailed supplier transaction breakdown with your need to save disk space.

Documentation Summary

The following is a summary of the remaining sections in this documentation. Appendices hold detailed examples and other technical information.

Set Up the Purchase Ledger

This chapter guides you through the setup process for the Purchase Ledger. It describes the many settings you can use to customise the ledger to meet your company's needs.

See *Set Up the Purchase Ledger on page 11*.

Establish and Maintain Supplier Records

This chapter explains the components in a supplier account record. It also explains how you build and maintain accurate records for your supplier accounts.

See *Establish and Maintain Supplier Records on page 45*.

Manage Supplier Invoices and Credit Notes

This chapter describes the life cycle of supplier transactions, starting with creating a record of the transaction, such as an invoice or credit note, through to how you retrieve, amend or reverse a transaction.

Although this chapter primarily focuses on bookkeeping activities it also covers the control of outstanding transactions with the aim of establishing and maintaining accurate supplier account balances.

See *Manage Supplier Invoices and Credit Notes on page 89*.

Note: This chapter does not cover payment transactions which are dealt with in *Chapter 5, Manage Supplier Payments*.

Manage Supplier Payments

This chapter deals with settling your purchase debts; from the physical transfer of money to your suppliers through to recording and allocating transactions.

This chapter also explains the various reports used to control your purchase budget. From identifying when your supplier invoices should be paid through to taking advantage of available discounts to optimise your cashflow.

See *Manage Supplier Payments on page 111*.

Manage Foreign Currency Transactions

This chapter builds on chapters 4 and 5, which describe the management of transactions in your base currency. The aim of this chapter is to explain the additional considerations and routines required when dealing with foreign currency transactions.

See *Manage Foreign Currency Transactions on page 145*.

Note: This chapter does not cover EC implications or Triangulation. For more information see your *Sage 200 Accounting System Manager* Documentation.

Manage Supplier Accounts

This chapter deals with the supplier account as a whole, covering both the account record and its associated transactions.

These activities include applying pending transactions, querying accounts as well as placing individual transactions under query.

This chapter also explains the various reports used to manage your supplier accounts.

See *Manage Supplier Accounts on page 163*.

Maintain the Purchase Ledger

This chapter covers the regular housekeeping routines, including the month end, needed to maintain the efficiency and effectiveness of your Purchase Ledger.

It identifies the routines you can use to view the status of the Purchase Ledger as a whole and covers the mechanisms employed to maintain the integrity of the data stored on the ledger.

See *Maintain the Purchase Ledger* on page 189.

Glossary of Accounting Terms

This chapter includes frequently used Sage 200 accounting terms and their meanings.

2

Set Up the Purchase Ledger

This chapter guides you through the setup process for the Purchase Ledger. It describes the many settings you can use to customise the ledger to meet your company's needs.

Activities:

Plan setup

Setting Options

Use setup checklist

Set up ledger

View settings

Before you begin ...

You must have:

- ✓ Set your Sage 200 defaults, using the Accounting System Manager module and the Nominal Ledger module. Refer to your *Sage 200 Accounting System Manager* Documentation. Also refer to your *Sage 200 Nominal Ledger* Documentation.
- ✓ Set the currency descriptions and exchange rates if you expect to create foreign currency accounts. Refer to your *Sage 200 Accounting System Manager* Documentation.

Note: You must have suitable security privileges to perform these activities. See your system administrator for more information.

Remember ...

Use your help system for further definition of the on-line windows.

For more information on using the help system, see the *Sage Operations* Documentation.

Plan Purchase Ledger Setup

The setup process builds on and complements the settings within the Accounting System Manager. The aim of the process is to tailor the ledger to your company's needs. By doing so it saves you and other users time when using the ledger on a day to day basis.

Use the options within the Ledger Settings window to set up your default supplier account values. These default settings are automatically used when you create a new purchase ledger record. You can then accept these default values or override them as required.

These settings allow you to;

- Establish supplier account defaults and controls.
- Track supplier accounts and transactions.
- Deal with foreign creditor exchange rate changes.
- Analyse purchases through to other modules.
- Perform account and transaction housekeeping.

Some settings are activated by entering information on more than one box on the window.

These descriptions will prompt questions, for example:

"Do you want to store purchase history information?" and,

"Do you want to accept purchase invoices on query before they have been authorised and given nominal status?"

To set up the ledger in the way that you want, you need to read through the settings you can apply within the ledger and plan the setup process, considering your needs. Use the *Setup Checklist on page 39* to note down your requirements and refer to it as you complete the setup process.

Note: You are able to change some settings after you start using the Purchase Ledger, but any setting changes will only apply to new data. Changing foreign currency settings will have a considerable affect on postings to the Nominal Ledger. Setting changes should only be made when there are no users updating the Purchase Ledger.

The Options Tab

Use the options within the Ledger Settings window to set up your default supplier account values. These default settings are automatically used when you create a new purchase ledger record. You can then accept these default values or override them as required.

Electronic bank payments

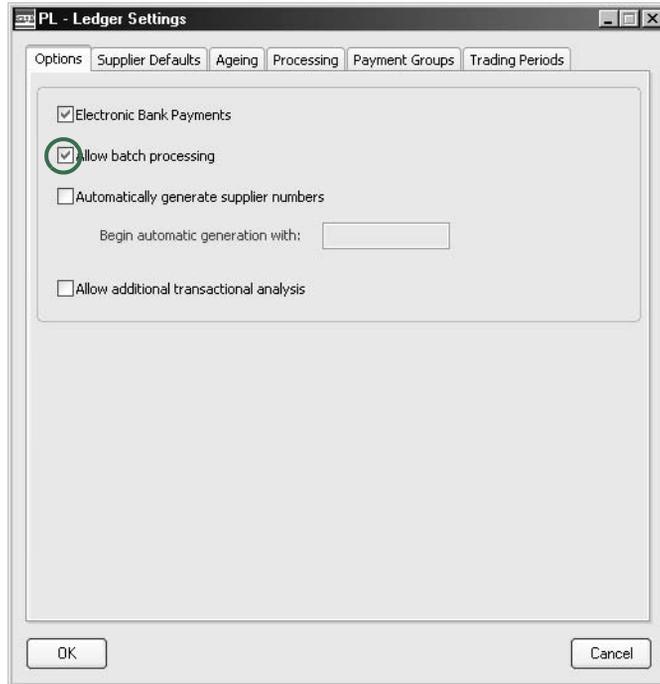


To make electronic bank payments to your suppliers you need the Sage e-Banking facility and a subscription to an electronic banking service that is compatible with Sage e-Banking. To link Sage 200 to your electronic banking service you need to:

- Select 'Electronic Bank Payments' in the Purchase Ledger.
- Use the 'Payment Groups' tab to set up a payment group that supports electronic payment. For more information, see *The Payment Groups Tab on page 33*.
- Enable e-Banking in the Cash Book, by setting up the bank account you intend to use for electronic banking. For more information see your *Sage 200 Cash Book Documentation*.

Note: You cannot activate this option until you have set up the Cash Book for electronic banking and established the bank account you intend to use for electronic payments. For more information see your *Sage 200 Cash Book Documentation*.

Allow batch processing



This setting deals with batch processing transactions onto the Purchase Ledger. If you intend to run intensive posting activities then the batch processing setting is for you. If you enter multiple transactions at a time for suppliers, it is more efficient if you use batch processing.

Batch processing handles multiple transactions of the same type for example invoices, and processes them in one session. It provides the facility to double check your entries against a batch total. This is useful to check the figures entered for large numbers of transactions before posting. It also provides an element of flexibility by allowing changes to individual transactions before the batch is finally committed to the ledger.

You can restrict access to batches so that a user either operates in manager access mode or user access mode. Manager access mode allows access to all batches while user access mode allows access only to the user's own batches. For more information see *Chapter 4, Record multiple items (batch processing)*.

Automatically generate supplier numbers



Each supplier account has a unique account reference assigned. When you create a new account you can either assign this manually yourself or have it generated automatically by the Purchase Ledger.

If you decide to assign the references manually, as you may already have a referencing system you want to retain, it is best to plan your coding structure. This helps establish a procedure for assigning new numbers when you start to create new supplier accounts. However, you should note the following points when creating your own reference system:

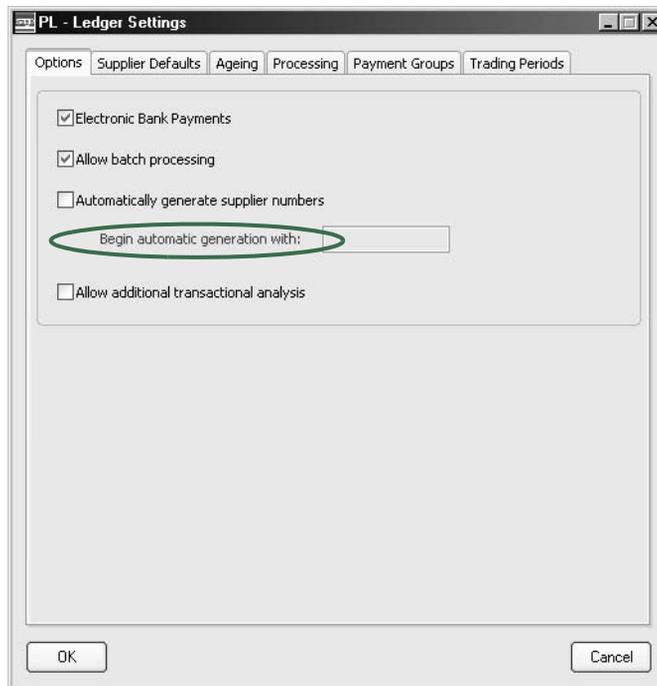
- Use account references of the same lengths to ensure accurate results when searching account records.

- An account reference can contain both numbers and letters up to eight characters in length.
- The Purchase Ledger does not differentiate between upper and lower case letters so an account reference of abc is considered the same as account reference ABC.

The automatic reference generation is quick and accurate and removes the need for you to create your own reference process.

Note: This setting influences how the ledger locates your account records. If you decide to change the setting at a later date it will have an adverse affect on how the ledger searches for and locates your existing account records. We therefore recommend that after setting this option you do not change it in the future.

Begin automatic generation with



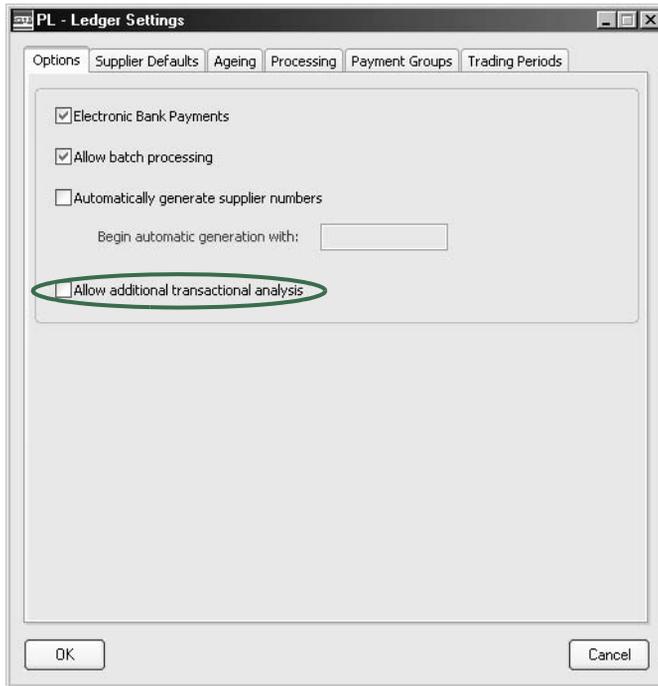
The screenshot shows the 'PL - Ledger Settings' dialog box with the 'Options' tab selected. The following options are visible:

- Electronic Bank Payments
- Allow batch processing
- Automatically generate supplier numbers
- Allow additional transactional analysis

The 'Begin automatic generation with:' text box is highlighted with a green oval.

Selecting the 'Automatically generate supplier numbers' option activates the 'Begin automatic generation with' box. If you want the ledger to generate the reference for you, you need to decide what number you want the ledger to start from. Once this has been set in the box, each time you create a new account the ledger increments that number by one.

Allow additional transaction analysis



When entering the following purchase transactions, a new column 'Transactional analysis' will be displayed when entering the following transactions:

- Purchase Invoice
- Purchase Credit Note
- Purchase Payment
- Purchase Receipt
- Authorisation
- Batched Transactions

This allows you to include additional nominal transaction information for each transaction that is entered.

The Supplier Defaults Tab

The 'Supplier Settings' tab allows you to set up the default discount values, the number of days that you will keep transactions for, and the maximum payment values that you are able to generate within your Sage 200 system.

Settlement discount values

The screenshot shows the 'PL - Ledger Settings' dialog box with the 'Supplier Defaults' tab selected. The 'Settlement discount values' section is highlighted with a red circle. It contains the following fields:

- Early settlement days: 0
- Discount percentage: 0.00 %

Below this is the 'Account history' section:

- Keep transactions for: 24 calendar months
- Archive transactions after this period:

The 'Other' section includes:

- Maximum payment value to be generated: £ 20000.00
- Default tax code: 1 - Std Rate
- Default Terms agreed:

Buttons for 'OK' and 'Cancel' are visible at the bottom of the dialog box.

There are two default values to set for settlement discount terms. The percentage discount offered by your suppliers, and the number of days (up to 999) an invoice must be paid within to qualify for the discount. These values are used for payment controls to identify the optimum date an invoice payment should be made.

If you are usually offered settlement discount from your suppliers, you can set the Purchase Ledger to create new accounts with the values that represent the discount norm. This discount is then applied in full to the net value of an invoice or credit note.

Settlement discounts also affect how VAT is calculated on invoices and credit notes. See *Chapter 4, Record single items*.

You are still able to specify discounts on individual transactions when adding them to the account using the transaction entry routines.

Keep transactions for

The following settings deal with the storage of transactions which make up the account history of each supplier account, as well as the storage of historical transactions in an archive file.

Your decision to retain historical transactions in an archive file depends on the amount of disk space you are using and the length of time you require the transactions stored.

The screenshot shows a dialog box titled "PL - Ledger Settings" with several tabs: "Options", "Supplier Defaults", "Ageing", "Processing", "Payment Groups", and "Trading Periods". The "Supplier Defaults" tab is active. It contains three sections: "Settlement discount values", "Account history", and "Other".

- Settlement discount values:**
 - Early settlement days:
 - Discount percentage: %
- Account history:**
 - Keep transactions for: calendar months (highlighted with a green circle)
 - Archive transactions after this period:
- Other:**
 - Maximum payment value to be generated: £
 - Default tax code: (dropdown menu)
 - Default Terms agreed:

At the bottom of the dialog box are "OK" and "Cancel" buttons.

A supplier account can hold a history of transactions for the account up to a maximum of 36 months. You need to specify the length of time you want transactions stored on the account. The value you specify here automatically applies to a supplier account when it is created, although the value can be overridden as you enter the account details.

While the transactions are stored on the account they can be used for analysis purposes.

When you run the 'Period End' routine, transactions that exceed their specified duration are either deleted from the account or transferred to an archive file. This depends on whether you chose to maintain an archive file.

Archive transactions after this period

The screenshot shows the 'PL - Ledger Settings' dialog box with the 'Trading Periods' tab selected. The 'Archive transactions after this period' checkbox is checked and circled in green. Other settings include: Settlement discount values (Early settlement days: 0, Discount percentage: 0.00%), Account history (Keep transactions for: 24 calendar months), and Other (Maximum payment value to be generated: £ 20000.00, Default tax code: 1 - Std Rate, Default Terms agreed: checked).

Once transactions in the stored account history exceed the specified duration, the ledger automatically moves the transactions to an archive file or deletes them from the ledger when you run the 'Period End' routine. The choice is yours. If you activate this setting, the transactions are transferred to the archive file.

Note: The 'Period End' routine only moves transactions to the archive file if they are fully allocated and have no query flag assigned to them.

While the transactions are held in the archive you can view and print them as required. You do have the flexibility to delete transactions from the archive file. For more information see *Chapter 8, Delete archived transactions*. You may want to delete archived transactions that are over a year old, or go through the process more frequently depending on the disk space used.

Do not activate this setting if you want the ledger to delete transactions from the supplier account which exceed the specified account history length.

Note: If a large volume of transactions are held on the system, depending on your operating system and PC specification, you may experience a slower response time when enquiring and sorting transactions.

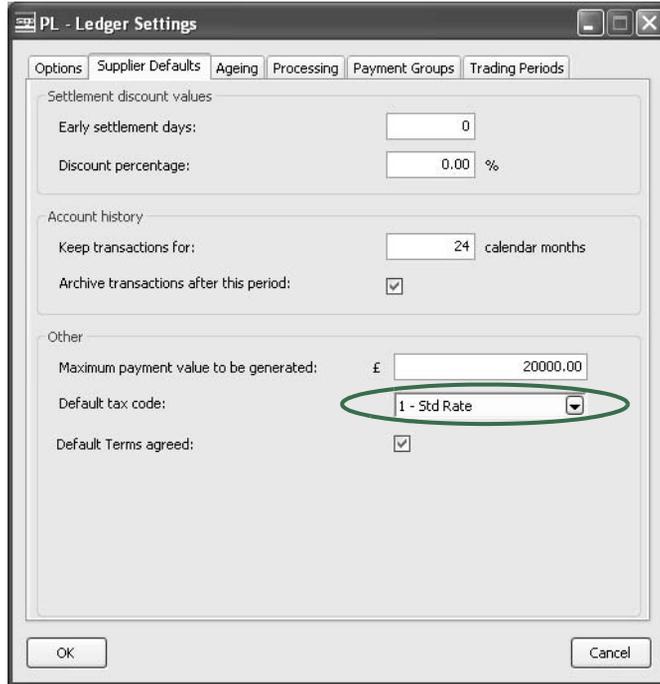
Maximum payment value to be generated

The screenshot shows the 'PL - Ledger Settings' dialog box with the 'Supplier Defaults' tab selected. The 'Settlement discount values' section includes 'Early settlement days' (0) and 'Discount percentage' (0.00%). The 'Account history' section includes 'Keep transactions for:' (24 calendar months) and 'Archive transactions after this period:' (checked). The 'Other' section includes 'Maximum payment value to be generated:' (£ 20000.00, highlighted with a green oval), 'Default tax code:' (1 - Std Rate), and 'Default Terms agreed:' (checked). 'OK' and 'Cancel' buttons are at the bottom.

This is a control setting. Its aim is to reduce the risk of processing payments that exceed a specified value.

This setting works in different ways depending on how you choose to make payments to your suppliers. If you use the automated 'Payment Processing' routine to produce payments, the control prevents the generation of payments that exceed the specified value. However, if you decide to make a manual payment, when you come to record the action, the ledger will only display a warning that the payment value has been exceeded.

Default tax code



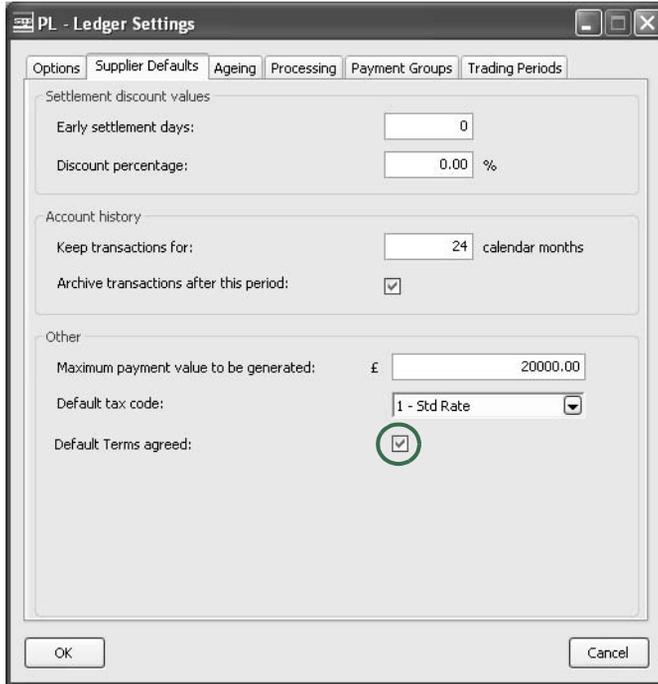
The screenshot shows the 'PL - Ledger Settings' dialog box with the 'Supplier Defaults' tab selected. The 'Default tax code' dropdown menu is highlighted with a green oval and shows '1 - Std Rate'.

Field	Value
Early settlement days:	0
Discount percentage:	0.00 %
Keep transactions for:	24 calendar months
Archive transactions after this period:	<input checked="" type="checkbox"/>
Maximum payment value to be generated:	£ 20000.00
Default tax code:	1 - Std Rate
Default Terms agreed:	<input checked="" type="checkbox"/>

You can specify a default tax code during Purchase Ledger setup so that each time you create a supplier account it always defaults to this code unless you override it at the account level.

Note: The default tax code can also be overridden at transaction entry level.

Default terms agreed



The screenshot shows the 'PL - Ledger Settings' dialog box with the 'Supplier Defaults' tab selected. The 'Default Terms agreed' checkbox is checked and circled in green.

Section	Field	Value
Settlement discount values	Early settlement days:	0
	Discount percentage:	0.00 %
Account history	Keep transactions for:	24 calendar months
	Archive transactions after this period:	<input checked="" type="checkbox"/>
Other	Maximum payment value to be generated:	£ 20000.00
	Default tax code:	1 - Std Rate
	Default Terms agreed:	<input checked="" type="checkbox"/>
	Buttons	OK, Cancel

Select this check box if you want the terms agreed setting to be selected by default when you create new accounts. If you leave this check box clear, you would need to agree terms on an individual record by record basis as you require. If the check box is left clear on the supplier account, you will receive a prompt that 'Terms have not been agreed...!' when entering transactions.

The Ageing Tab

A number of settings are available to help you manage purchase debt and track your supplier accounts and transactions over time. Located on the 'Ageing' tab, these options allow you to set up the number of ageing periods your company uses, the basic payment terms that you will offer to your customers and the ageing periods that you will use for the reports that you will be generated from your Sage 200 system.

Ageing periods

The screenshot shows the 'PL - Ledger Settings' dialog box with the 'Ageing' tab selected. The 'Ageing periods' section is circled in green. The 'Number of periods' is set to 4. The 'Default payment terms' section shows 'Basis of terms' set to 'From End Of Month' and 'Number of days' set to 999. The 'Ageing for reports (days)' section contains two tables:

Creditors periods start after		Due date periods start after	
	30		1
	60		31
	90		61
	120		91

This setting is designed to help you manage your outstanding purchase debt by analysing purchase information within a set number of periods.

Generally, ageing of debt is analysed across three periods, three being the minimum (typically 30, 60 and 90); however the maximum is eight periods.

Default payment terms

The screenshot shows the 'PL - Ledger Settings' dialog box with the following configuration:

- Options:** Supplier Defaults, Ageing, Processing, Payment Groups, Trading Periods
- Ageing periods:** Number of periods: 4
- Default payment terms (highlighted):** Basis of terms: From End Of Month; Number of days: 999
- Ageing for reports (days):**

Creditors periods start after	Due date periods start after
30	1
60	31
90	61
120	91

These settings are used as default values when creating new accounts, and by the ledger to suggest a payment date. The Purchase Ledger combines the basis of terms with the number of days to calculate the due date on invoices.

Number Of Days If your suppliers usually offer you a number of days credit, enter this figure here. You can specify up to 999 days.

Basis Of Terms This determines the date from which the number of days credit is calculated. Once set you can use it to monitor payments due and optimise the credit days available. You can set the ledger to calculate days credit from the:

- Document date
- Start of month
- End of month
- Calendar monthly (number of days will be set to zero)

Ageing by end of month indicates an invoice is due in a specified number of days after the end of the month in which it was dated. For example, if your basis of terms on an account is set to end of month, and the number of days to 15, an invoice entered with a transaction date of 01/05/2007 calculates a due date of 15/05/07 automatically for you (this can be overridden as the invoice is entered).

Ageing by calendar month means invoices are due on the same day the follow month. For example, if your basis of terms is set to calendar monthly and an invoice is entered with a transaction date of 01/04/07, a due date of 01/05/2007 is calculated.

Note: Due date calculations are only made for invoice transactions. Credit notes always retain the same due date entered with the transaction and default to the same date as the transaction date.

When you do come to create new accounts and find the default values are inappropriate you can change them for an individual account.

Ageing for reports (days)

The screenshot shows the 'PL - Ledger Settings' dialog box with the 'Ageing' tab selected. The 'Ageing for reports (days)' section is highlighted with a green circle. Below this section are two tables for configuring reporting periods.

Creditors periods start after		Due date periods start after	
	30		1
	60		31
	90		61
	120		91

Generally creditor balances are aged over three periods, which are typically 30, 60 and 90 days. The last aged period holds both the debts within the period and those debts that exceed the period.

Creditors periods start after For each reporting period, enter the number of days you want analysed within the Aged Creditors report.

Due date periods start after For each reporting period, enter the number of days you want analysed within your Due Date report.

Ageing for report (days) ties in with the reporting periods. The values are used to prepare the Aged Creditors report and Due Date reports.

Example: Due Date report

If your ageing for report (days) is set up as shown above, and the due date on a previously entered invoice is set to 30/04/2007, when you run your Due Date report specifying a base date for ageing as 01/05/2007, the invoice appears in the column for less than 30 days overdue. If you run the same report but with a base date for ageing as 31/05/2007, the invoice appears in the between 30 and 60 days overdue column on the report.

Example: Aged Creditors report

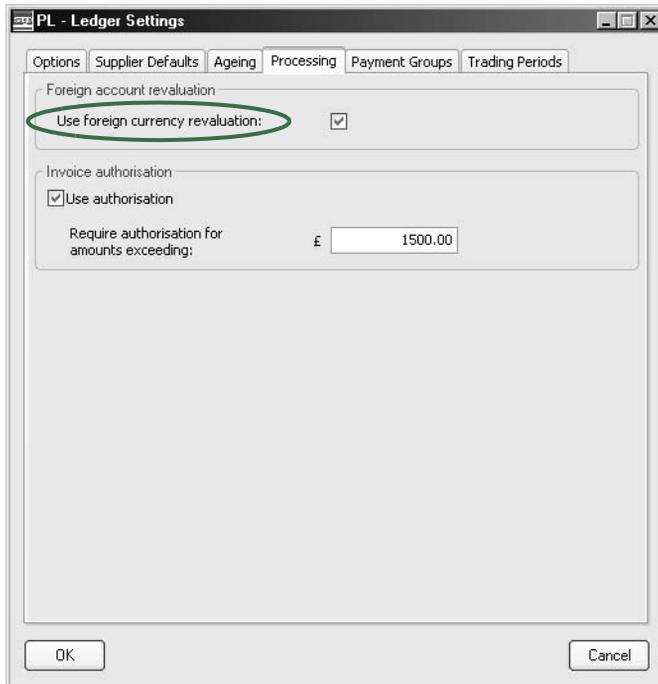
When you run your Aged Creditors report and choose your ageing method by transaction date, the system uses the entered base date for ageing as the mechanism to decide in which column the debt will appear.

For example, if you have an invoice with a transaction date of 30/04/2007 and a due date of 30/05/2007, and you choose to run the Aged Creditors report by transaction date with a base date for ageing of 28/05/2007, this displays the invoice in the current column. If you choose to run the report by transaction date but with a base date for ageing of 29/05/2007, this displays the invoice in the 30 day column.

The Processing Tab

You can set the Purchase Ledger to help you maintain foreign supplier account balances which are affected by exchange rate change fluctuations. The Purchase Ledger posts any profit or loss on exchange for transactions to the Nominal Ledger.

Foreign account revaluation



The screenshot shows the 'PL - Ledger Settings' dialog box with the 'Processing' tab selected. The 'Foreign account revaluation' section has the 'Use foreign currency revaluation' checkbox checked and circled in green. The 'Invoice authorisation' section has the 'Use authorisation' checkbox checked, and the 'Require authorisation for amounts exceeding' field is set to £1500.00. The dialog box has 'OK' and 'Cancel' buttons at the bottom.

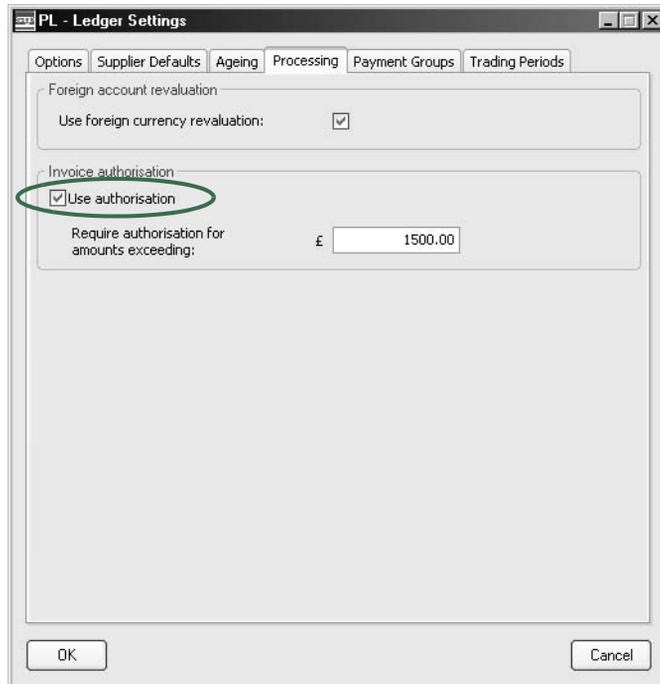
The ledger converts foreign currency to your base currency using the exchange rate set within the Foreign Exchange Rate table. The Exchange Rate table should be updated regularly to ensure the correct exchange rates are applied to transactions. For more information see *Sage 200 Accounting System Manager* Documentation.

When you enter a transaction on the ledger, and you are using a currency other than the base currency, the current system exchange rate is displayed. This amount can be overridden from the transaction screen. This exchange rate is then used to convert the transaction to base currency and post the base currency amounts to the Nominal Ledger. For more information see *Chapter 6, Manage Foreign Currency Transactions*.

As exchange rates can fluctuate between the time the transaction was entered onto the ledger and when the invoice is paid, the original rate applied to the transaction and the actual rate paid to the supplier can differ.

If you choose not to revalue by leaving the check box cleared, you can manually post any profit and loss on exchange to the currency adjustments and the creditors control nominal accounts in the Nominal Ledger as you enter each transaction. You may choose to do this if you want to use an average exchange rate for posting your foreign account transactions.

Invoice authorisation



The screenshot shows a window titled "PL - Ledger Settings" with several tabs: Options, Supplier Defaults, Ageing, Processing, Payment Groups, and Trading Periods. The "Invoice authorisation" section is active, showing a checked checkbox for "Use authorisation" (circled in red) and a text box for "Require authorisation for amounts exceeding:" with the value "1500.00" entered. The "Foreign account revaluation" section also has a checked checkbox for "Use foreign currency revaluation:". At the bottom are "OK" and "Cancel" buttons.

Invoice authorisation applies to both invoices and credit notes as they are recorded on the Purchase Ledger either as a single item or as part of a batch.

There are two values required for invoice authorisation. The first activates the setting and the second defines an authorisation amount. You can match the setting to your internal process for invoice authorisation.

With invoice authorisation activated any invoice recorded on the ledger which exceeds the specified amount is automatically held for authorisation. If you do not specify an amount for authorisation the ledger automatically selects all your invoices as requiring authorisation but this can be removed as you record invoices on the ledger. Those invoices which equal or fall under the specified amount can be selected for authorisation as they are recorded on the ledger. For more information see *Chapter 4, Manage Supplier Invoices and Credit Notes*.

With invoice authorisation activated any credit notes recorded on the ledger, regardless of their value, are automatically selected for authorisation, however you can remove the authorisation flag as they are entered onto the ledger.

Transactions that have not been authorised are assigned an unauthorised query flag and are identifiable with the character U. This can be seen when you view the transaction through screen enquiries in the query column. For more information see *Chapter 7, Query Your Supplier Accounts*.

While the invoices or credit notes require authorisation they are automatically posted to the unauthorised purchases account. For more information see your *Sage 200 Nominal Ledger Documentation*. When you authorise the transactions the original postings are automatically reversed from the unauthorised purchases account and you can then apply your usual nominal analysis. For more information see *Chapter 4, Authorise Transactions*.

This routine allows you to enter purchase invoices and credit notes as soon as they arrive, yet keep them from normal nominal analysis postings until the appropriate authorisation is given, perhaps by a manager or another department.

Without using the invoice authorisation setting the ledger processes invoice and credit notes in the usual manner.

The Payment Groups Tab

The Purchase Ledger supports several payment methods. Before you can use any of the methods you must tell the ledger which ones you intend to use.

If you are using Cash Book and a bank account exists in the Cash Book, you can summarise payments in a batch for certain payment document types. In this case, only one transaction will be recorded in the Cash Book for the total amount.

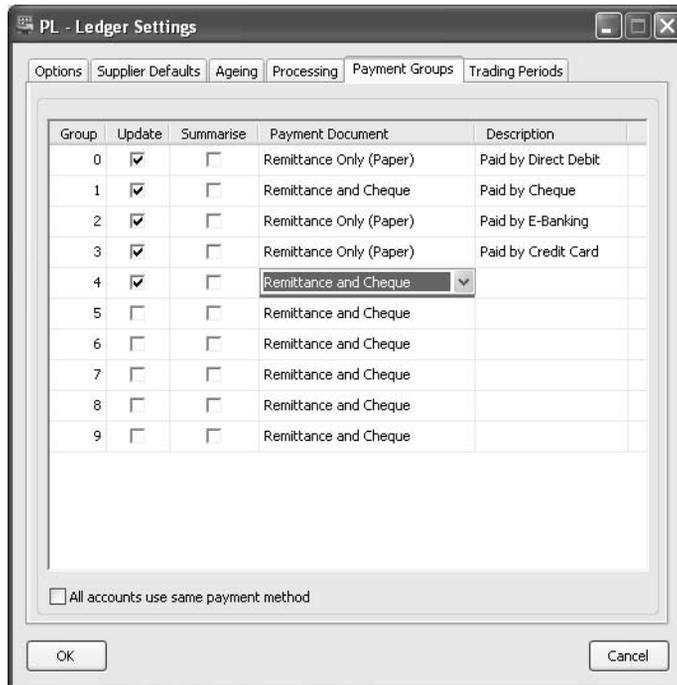
Payment groups

The screenshot shows the 'PL - Ledger Settings' dialog box with the 'Payment Groups' tab selected. The dialog contains a table with the following data:

Group	Update	Summarise	Payment Document	Description
0	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Remittance Only (Paper)	Paid by Direct Debit
1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Remittance and Cheque	Paid by Cheque
2	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Remittance Only (Paper)	Paid by E-Banking
3	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Remittance Only (Paper)	Paid by Credit Card
4	<input type="checkbox"/>	<input type="checkbox"/>	Remittance and Cheque	
5	<input type="checkbox"/>	<input type="checkbox"/>	Remittance and Cheque	
6	<input type="checkbox"/>	<input type="checkbox"/>	Remittance and Cheque	
7	<input type="checkbox"/>	<input type="checkbox"/>	Remittance and Cheque	
8	<input type="checkbox"/>	<input type="checkbox"/>	Remittance and Cheque	
9	<input type="checkbox"/>	<input type="checkbox"/>	Remittance and Cheque	

At the bottom of the dialog, there is a checkbox labeled 'All accounts use same payment method' which is currently unchecked. The dialog also has 'OK' and 'Cancel' buttons.

This setting deals with the payment methods you can use to settle outstanding debt owed to your suppliers.



Depending on the payment method you choose, you can summarise payments to the Cash Book, if you select 'Update'.

The Purchase Ledger recognises the following payment documents:

- Remittance and cheque

This setting allows you to produce remittances and cheques together or separately at the time of the payment run. For more information see *Chapter 5, Manage Supplier Payments*.

- Remittance only (Paper)

This setting only produces remittances at the time of the payment run.

- Remittance only (Email)

This setting only produces remittances for the email address stored on the role or contact record in the Accounting System Manager module. For more information, see your *Sage 200 Accounting System Manager* Documentation.

- Cheque only

This setting only produces cheques at the time of the payment run.

- Electronic payment

This setting only processes electronic payments to the supplier's bank account.

- Electronic payment remittance

This setting processes electronic payments to the supplier's bank account and prints associated remittance advice notes.

You can summarise payments if you select 'Update' and you are using one of the following payment documents:

- Remittance only (Paper)

- Remittance only (Email)

- Electronic payment

- Electronic payment remittance

Using only one payment method

To pay all your suppliers using only one of these methods, you need to:

- Select the 'All accounts use same payment method' check box.
- Select the requirement to update the ledger or not from the update drop-down list.
- Select the required payment method from the payment document drop-down list. This applies to printed and email methods.
- Select the requirement to summarise payments if the payment document type is: Remittance only (Paper), Remittance only (Email), Electronic payment or Electronic payment remittance.

- Enter a description for the payment group.

The update setting ensures the purchase payment is posted to the supplier's account. If you set the update setting to 'No', then no postings are made and the payment routine can be used simply to raise documentation for payments without affecting the account balances. You may want to use this routine to produce payment documents first and then decide which payments to issue. You can then manually update the supplier account with the payments made. For more information see *Chapter 5, Record and Allocate a Settled Payment*.

If you set the update setting to 'Yes', the payment is posted to the supplier's account and affects the account balance immediately. This is also reflected in the Nominal Ledger and Cash Book. If you set the summarise setting to 'Yes', the payment is posted to the Cash Book as part of a batch of payments.

Note: If you activate the 'All accounts use same Payment method' setting, the specified payment method is automatically applied to your supplier accounts as they are created.

Using more than one payment method

To set up more than one payment method for your suppliers you need to set up the different payment groups. Each method is identified by a group number 0-9. To do this:

- Click on the next available group.
- Specify the update setting (yes/no).
- Select the payment document setting from the drop-down list.
- Specify the summarise setting (yes/no).
- Enter a description for the payment group.

When generating a single payment, it is possible to preview the remittance and email it to the supplier.

Note: If you have set up more than one payment method you need to apply the appropriate payment method to each supplier account as you create and then maintain supplier accounts.

The Trading Periods Tab

Use the 'Trading Periods' tab to produce turnover and trading analysis for your supplier accounts. Each trading period will hold the values for invoices, credit notes and any bank values.

The information entered on the 'Trading Periods' tab controls the way that your Sage 200 system handles your trading and accounting periods.

Setting trading periods

Select one of the trading period options:

Purchase trading period configuration

Same as accounting periods
 Use separate trading periods

Purchase trading periods

Period No	End Date
1	31/01/2006
2	29/02/2006
3	31/03/2006
4	30/04/2006
5	31/05/2006
6	30/06/2006
7	31/07/2006
8	31/08/2006
9	30/09/2006
10	31/10/2006
11	30/11/2006
12	31/12/2006
1	31/01/2007
2	28/02/2007

Same as accounting periods

Use this option to set the trading periods to the same as the accounting periods. When you select this option the options on the 'Trading Periods' tab are greyed out to prevent you from changing any information or from adding any new sales trading periods.

Selecting separate trading periods

You may use accounting periods based on calendar month, but wish to analyse your purchases weekly or by 4-week period. If this is the case, you can use separate trading periods.

By default, Sage 200 is configured to use accounting periods. Select the 'Use separate trading periods' option to activate the 'Purchase Trading Period Configuration' grid.

24 periods are displayed by default. Click on a 'Period Reference' or 'End Date' to edit the period reference or date displayed.

To add a new trading period, click 'Add'. The cursor appears in the next available 'Period Reference' field. You can then specify the next trading period number and the date that it ends.

To delete a trading period, select the required row and click 'Delete'. You can only delete a period if the 'Use Separate Trading Periods' option is selected and you have created at least one trading period.

To keep a copy of the trading period details, click 'Print'.

Ageing for reports (days)

Creditors periods start after

.....

.....

Due date periods start after

.....

.....

Trading Periods

Same as accounting periods

Use separate trading periods

Purchase trading periods:		Period No	End Date	Period No	End Date
		1.		1.	
		2.		2.	
		3.		3.	
		4.		4.	
		5.		5.	
		6.		6.	
		7.		7.	
		8.		8.	
		9.		9.	
		10.		10.	
		11.		11.	
		12.		12.	

Deal with foreign creditor interest changes

Foreign account revaluation

Analyse purchases

Analysis code labels 1..... 2..... 3.....

Allow batch processing

Automate payments to suppliers

Electronic bank payments

Use payment group(s) Remittance and cheque Remittance only
 Cheque only Electronic payment
 Electronic payment remittance
 All accounts use same payment method

Perform account and transaction housekeeping

Account history Keep transactions for:.....months

Archive transactions after this period

Setup Process

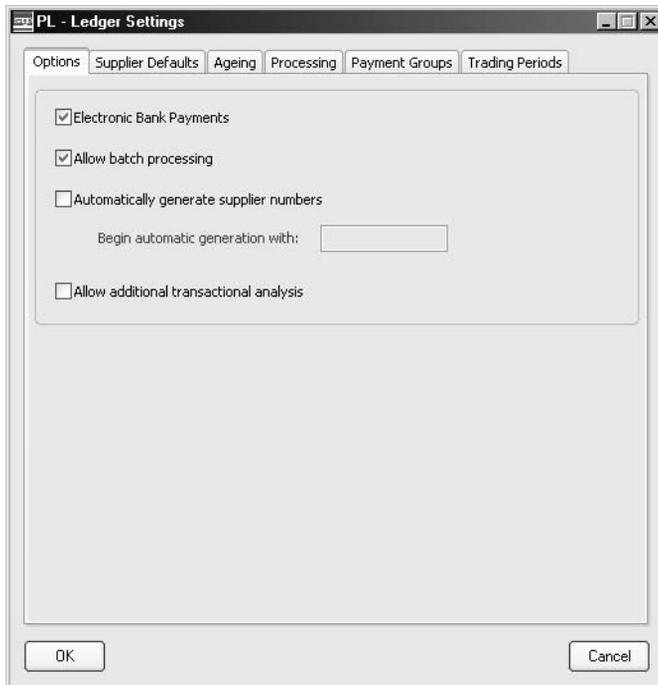
Before you begin ...

You must have:

- ✓ Planned the Purchase Ledger setup.

Access the window

Choose Utilities > Ledger Set Up > Ledger Settings.



Enter the details

- Use the window to activate or specify each setting according to your needs. (Use the *Setup Checklist on page 39* to keep a copy of the settings you choose.)

Outcomes

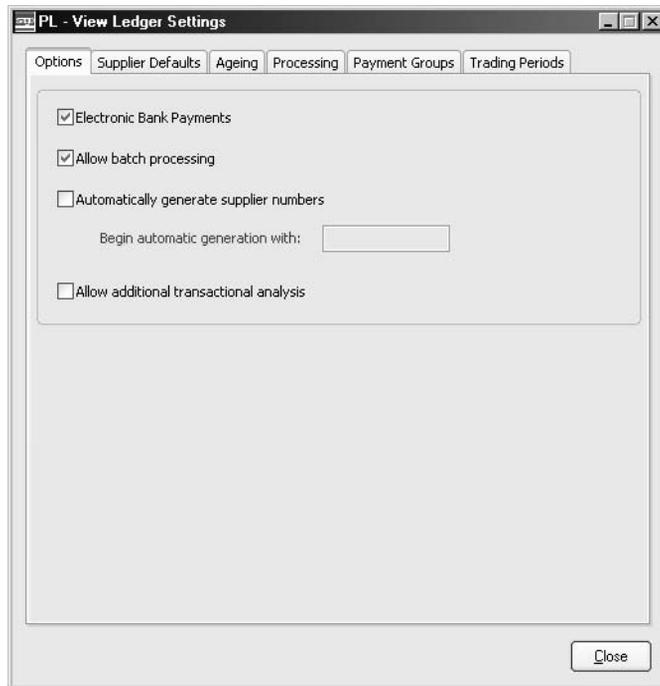
- The Purchase Ledger is set up for your company's preferred operation.

View Settings

This is a view only version of your ledger settings. You cannot edit any of the settings from this screen. You will use this option if you need to provide details of your system settings to the support team while you are working in a different screen.

Access the window

Choose Utilities > View Ledger Settings.



Enter the details

- Click 'Close' to exit from the window.

3

Establish and Maintain Supplier Records

This chapter describes the components of a supplier account record. It also explains how you can build and maintain accurate records for your supplier accounts.

Activities:

Create account

Enter turnover values

Enter opening
balances

Rectify opening
balances

Amend account

Manage account
status

Delete account

Reinstate account

Factor houses

Before you begin ...

You must have:

- ✓ Set your Purchase Ledger defaults, using the Purchase Ledger Settings window. For more information see *Chapter 2, Set Up the Purchase Ledger*.

Note: You must have suitable security privileges to perform these activities. See your system administrator for more information.

Remember ...

Use your help system for further definition of the Sage 200 windows.

Build Supplier Accounts

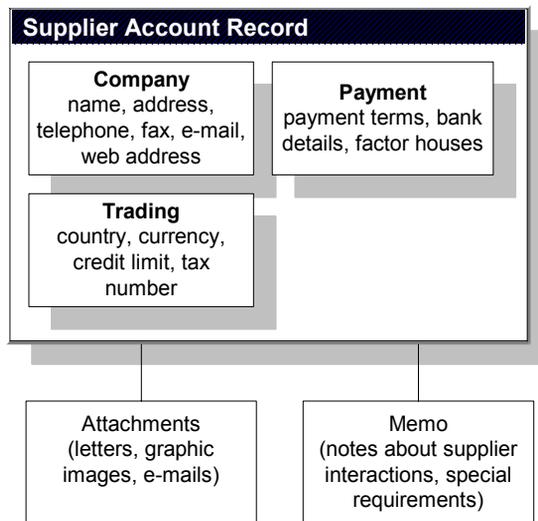
This section describes what a supplier account record consists of, the types of accounts used by the Purchase Ledger and how to create your account records using the ledger.

The account record

The account record is fundamental to the successful management of supplier accounts on the Purchase Ledger.

As you manage your supplier accounts they evolve through a life cycle of creating, amending and deleting, all of which are described within this chapter.

Each supplier has their own account record with its own account reference number. See *Chapter 2, Automatically generate supplier numbers*.



The account record holds the following key information:

- Company details
- Trading details
- Payment details

The ledger uses the contact information to prepare reports on individual suppliers. It uses the account details and terms of business information to perform financial calculations and prepare more detailed reports. In addition, you can attach letters, graphics or spreadsheets to the account record to log communications between you and your supplier. You can also record your own reminder notes about your dealings with the supplier using the 'Memo' tab. The information you enter when creating a new account record can be amended at a later date.

Account types

There are three types of supplier account which you can use within the Purchase Ledger and you can have a mix of account types.

Open item

With open item accounting, all outstanding transactions remain visible on the account record until allocated and removed by the 'Period End' routine, once the history length has expired.

You can allocate payments to a specific transaction on the account record, in part or in total. Provided the whole outstanding transaction is allocated by the payment, the 'Period End' routine removes it, freeing disk space for new transactions.

All outstanding amounts, whether part allocated payments, disputed transactions or unpaid or part paid invoices, remain on the ledger, showing full details, until such time as they are fully allocated and have exceeded their history length.

Note: If you are keeping separate histories after the account history length, transactions are stored in the archive file.

Balance forward

In balance forward accounting all transaction details remain on the ledger in full until the 'Period End' routine is invoked. At this time transactions are cleared and a brought forward balance is displayed for the new period.

Each months total creditor balance is carried forward as a single balance figure and so the number of balances carried forward depends on the number of months aged credits are specified on the Purchase Ledger.

When transactions such as payments are posted for a previous month, they are allocated by month number, so the appropriate balance is reduced at the period end.

Transactions in query are retained on the account record.

The advantage of this type of accounting is its economical use of disk space.

Note: Balance forward accounts cannot be used for foreign currency accounts.

Automatic allocation

Automatic allocation combines the features of open item accounting with an automated allocation facility, which is activated during the 'Period End' routine.

During the 'Period End' routine, any credit notes, payments or receipts are allocated to invoices on the basis of the oldest outstanding invoices being allocated first. If you are using this type of account you cannot allocate payments manually to a specific invoice.

Queried invoices are not allocated.

Combine types of accounts

You can combine the three types of account within your Purchase Ledger in any mix that you want.

Both open item and automatic allocation accounts retain full transaction details of outstanding items on the account record, regardless of the age of the debt, until allocated and removed by the Period End routine.

You can change a supplier account from one type to another, although if you change from balance forward to open item, you are not able to retrieve individual transaction details that make up the balance brought forward. You can only view transaction details for transactions recorded after you made the change.

Create a Supplier Account Record

Supplier account records can be created either using the Purchase Ledger, or from existing data imported into the Purchase Ledger. Importing existing data is often used by organisations to create new records in the Purchase Ledger from data in another system or captured from an external source.

Checking the following points before entering or amending records will save processing delays:

- You may need details of the nominal accounts, cost centres and department codes to hand.
- If you expect to enter foreign currency accounts, ensure that you have set up the currency descriptions and exchange rates beforehand.

Create account record within the Purchase Ledger

This activity can be done by entering unique supplier details onto the window designed for creating the supplier accounts, as well as accepting or changing defaults which appear automatically in the window. Some of these defaults are a result of settings you specified during the Purchase Ledger setup process as well as settings made at the Accounting System Manager or Nominal Ledger level.

Some boxes on the window have a set of predetermined entries and the supplier entry may only be selected from the valid entries given in a drop-down box. This is the case with the account type box, for example.

The supplier record consists of a window with several sections or tabs. The supplier's information and the settings that determine how the record behaves in Sage 200 are detailed on the 'Company', 'Trading', 'Payment' and 'Transaction' e-mail tabs. The 'Attachment' and 'Memo' tabs are used to attach files and add text memos to the supplier account record.

Company tab

The 'Company' tab holds both the company contact details. Depending on system settings you may find two defaults already displayed in the window ('A/C ref and currency'). The remaining boxes are used to enter your supplier's unique details.

The screenshot shows a software window titled "PL - Enter New Account" with a "Company" tab selected. The window is divided into several sections:

- Account:**
 - A/C ref: AT002
 - Name: Atlas Ranges Ltd
 - Short name: Atlas
 - Credit limit: £ 0.00
- Currency details:**
 - Currency: Pounds Sterling (selected from a drop-down menu)
- Contact details:**
 - Address: 14 Ardlington Court, Garrard Way, Kettering, Northamptonshire
 - Postcode: NN16 3JU
 - Contact: John Mohoney
 - Telephone: 01536 527833 (with "More ..." button)
 - Mobile: 0797635454243 (with "More ..." button)
 - Fax: 01536 527833 (with "More ..." button)
 - E-mail: johnm@atlas.co.uk (with "More ..." button)
 - Web site: www.atlas.co.uk (with "More ..." button)

At the bottom of the window, there are four buttons: "Save", "Clear", "Duplicate", and "Close".

The supplier account reference is assigned automatically by Sage 200 if you have chosen automatic number generation during the Purchase Ledger setup process. If you have chosen not to generate supplier numbers automatically, you need to apply a unique account reference to the account record.

You also need to assign the supplier's operating currency from the 'Currency' drop-down box if it differs from the default shown. The currency defaults to base currency, which is set at Accounting System Manager level.

The Purchase Ledger uses the following information to print supplier details on reports, mailing labels and remittance advices:

- Account reference.
- Name.
- Address (including post code).

In addition to the supplier's full name you can assign a 'Short name' to the account record. The short name does not appear on reports but can be used to search for an account. Searching for an account using a short name is easier as short names are easier to remember and take less time to type. The short name can also be used to sort accounts for reporting purposes. Before you assign a short name consider how you want the account to be sorted relative to other accounts. A short name can consist of up to eight characters, for example P.J.B. Hardingstone Limited can be shortened to Harding.

You can set a credit limit to control purchase debt for an individual supplier or leave it blank if you prefer to have no credit limit. If you decide to set a limit, the ledger warns you when you exceed the credit limit agreed with your supplier by highlighting the credit limit box displayed when entering a purchase invoice. It does not prevent you processing transactions which exceed the agreed credit limit.

The 'Contacts', 'Web', 'E-mail', 'Telephone', 'Mobile' and 'Fax' details are not used for reporting purposes and can be used for notational purposes if preferred. You can enter several e-mail or web addresses for a supplier if you want into the relevant boxes. Provided you have internet access, you can activate an address entered into the 'E-mail' or 'Web' box. Use this to call up your supplier's website or invoke your 'E-mail' send message facility so you can contact your supplier.

Contacts tab

Use the 'Contacts' tab to set up and maintain a list of supplier contact names and contact details such as telephone number, mobile, fax, email address, website address and job role. Job roles not only enable you to group your account contacts and identify key contacts more easily, but also enable you to specify which email address to send an e-mail statement to for your chosen supplier. An electronic version of the statement will be sent to your inbox. From there you can e-mail them to your suppliers.

Note: When you create a supplier record, a blank default contact record will be created. This contact record automatically includes the mandatory job role that is specified in the Accounting System Manager.

To set up the contact details for this blank record, select the blank row and click 'Edit'.

If you have selected to 'Show detail', the tab is divided into three working areas.

- **Contacts List**

This list displays all the contact names that have been set up for the supplier's account. As the contact details for your supplier account changes, you can maintain the list by adding, editing and removing contacts and changing the default contact for the account.

PL - Amend Account Details for BGT Distribution Ltd

Company Contacts Trading Payment Credit Attachments Memo Transaction e-mail

Contacts

Default	Name	Telephone	E-mail
Yes	Brian Tellar	01562 804212	brian@bgt.com
	Helen Baker	01675 443678	

Add... Edit... Delete Set as Default Show detail

Details

Name:

Telephone: More ...

Mobile: More ...

Fax: More ...

E-mail: More ...

Web site: More ...

Roles

Role	Preferred Contact
Account	

Save Clear Delete Close

Every supplier account has a default contact. The default contact appears on all reports that display contact information, easily distinguished by a 'Yes' in the 'Default' column. You are only able to have one default contact per account, although it is simple to transfer the default status from one contact to another if you have multiple contacts.

- From the contact list, select the contact you want to nominate as the new default and click 'Set as Default'. Confirm the change when the system prompts you.

Note: Clear the 'Show detail' check box, if you want to hide the contact details section of the window and expand the size of the 'Contacts' list.

- Details

As you select a contact on the list, the 'Details' section updates to display the telephone numbers and contact information for the contact you have chosen.

- Roles

Just as the system is set up with a default 'Account' contact, Sage 200 is also set up with a default 'SendStatementTo' role. When you add the 'SendStatementTo' role to a supplier contact name and mark the role as the preferred contact, the system uses the default email address of the contact when you want to send out an e-mail statement. An electronic version of the statement is sent to your inbox. From there you can check and e-mail them as you require.

Multiple roles can be assigned to a single contact. For example, you might have a contact that is the 'buyer', 'seller' and 'admin assistant'.

The 'Roles' area displays a list of the role(s) associated with the contact name selected on the contact list. It also indicates whether the contact you have selected is the preferred contact for a role. A role can only have one preferred contact per account. For example, if a supplier account has 5 contacts all assigned the role of 'sales account manager', only one of the contacts can be set up as the preferred contact for this role. This is useful to help you identify the person that you should try to contact first.

Note: The supplier record that you set up on your system will automatically include all mandatory roles that can be used with your supplier contacts. When subsequent contacts are added to new supplier records, no roles will be added to those contact records. All mandatory roles must have one preferred contact on each supplier record. Mandatory roles can be deleted from a contact record, provided that it is not the preferred contact for that role.

For more information about setting up the list of roles, see the *Accounting System Manager* documentation.

To add a new account contact

- To add a new contact, click 'Add'. The 'Add New Supplier Contact' window appears.
- Enter the contact name and details.
- To help you identify the contacts you need to speak with in the future, you can also enter the contact's role(s) in addition to the system role and specify if this person's detail will be the preferred contact for that role.

Use the following information to familiarise yourself with the 'Enter New Contact' window.

The screenshot shows the 'PL - Add Supplier Contact' dialog box. It contains the following elements:

- Contact Section:**
 - Supplier: BGT Distribution Ltd
 - Name: Jane Smith
- Details Section:**
 - Telephone: 01878 456789 (with 'More ...' button)
 - Mobile: (with 'More ...' button)
 - Fax: (with 'More ...' button)
 - E-mail: jsm@bgt.com (with 'More ...' button)
 - Web site: (with 'More ...' button)
- Roles Section:**

Role	Preferred Contact
Account	<input type="checkbox"/>

Buttons: Add, Delete
- Main Window Buttons:** OK, Duplicate..., Cancel

Click 'Duplicate' to create a new contact record using this accounts contact information. For more information see the online help.

Click the 'More' buttons if for example you want to enter more than one telephone number or Email address for a customer account contact. For more information see the online help.

Use the 'Roles' section to add a role description to your supplier account contact. For more information about setting up the list see the *Accounting System Manager* documentation.

Duplicate

To add contacts more quickly, you can use the duplicate facility to copy existing contact details.

- From the 'Contacts' tab, click 'Add'. The 'Add Supplier Contact' window appears.
- Click 'Duplicate' and then from the contacts list, select the contact you want to use as a basis for the new record.

PL - Duplicate Supplier Contact

Contact to duplicate

A/C ref: BGT001

Name: BGT Distribution Ltd

Short name: BGT Dist

Post code: DY10 5KK

Contacts

Default	Name	Description
Yes	Brian Tellar	Brian Tellar BGT Distribution Ltd

View details...

Duplication details

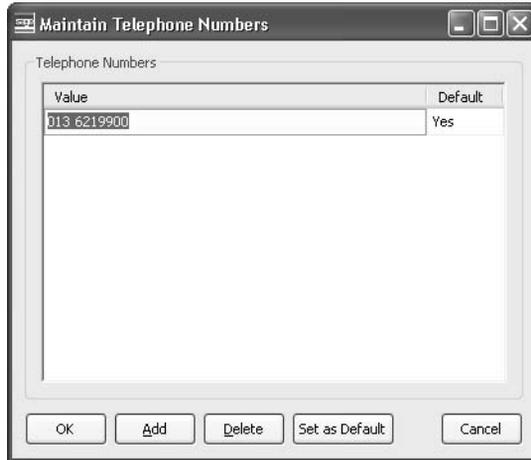
Duplicate roles:

OK Cancel

- If you also want to duplicate the list of roles attached to this contact, select the 'Duplicate roles' check box.
- Click 'OK' to duplicate the contact and return to the 'Add Supplier Contact' window, and 'OK' again to confirm the details. You can now edit the record as you require.

More

- Click the 'More' buttons when you want to enter more than one item of information in the 'Details' boxes. For example you might have several landline contact numbers and several mobile numbers for a single contact. The 'Maintain ...' window appears.



- Click 'Add' to enter additional rows of information and then select the row that should show as the default for the contact. Click 'Set as Default'.

Please note that if you have multiple numbers or addresses listed and you delete the item, marked as the default, the next line becomes the default item.

- Click OK.

Trading tab

The next section of the account record, the 'Trading' tab, holds the information that specifies the financial relationship between you and your supplier. The ledger uses these settings to process supplier transactions.

Most of the Trading boxes are populated with values derived from the Purchase Ledger set up, Nominal Ledger and Accounting System Manager. These values can be accepted or amended to suit the supplier account you are creating.

The screenshot shows the 'PL - Enter New Account' window with the 'Trading' tab selected. The window contains the following fields and sections:

- Trading details:**
 - Country code: GB - Great Britain (dropdown)
 - Default tax code: 1 (dropdown)
 - Tax number: (empty text box)
 - Keep transactions for: 24 calendar months
 - Order priority: (dropdown)
- Default nominal code:**
 - 44100 (dropdown)
 - Stock Issues - Default (text box)
- Analysis codes:**

Header	Value
Pur Mgr	
Region	
Sup Type	

At the bottom of the window are buttons for 'Save', 'Clear', 'Duplicate', and 'Close'.

The values set for 'Country code', 'Default tax code' (the supplier's VAT code taken from the tax rate code table) and the 'Tax number' (your VAT registration number) are used by the ledger to perform EC VAT calculations. The country code default is taken from your company's details. For more information see your *Sage 200 Accounting System Manager* Documentation.

'Keep transactions for', refers to the amount of time account transactions are held on a supplier's account before they are archived to file or deleted from the ledger altogether. The length displayed defaults to the entry you set during the Purchase Ledger setup process.

Order priority is only displayed if the Purchase Ledger is integrated with the Purchase Order Processing module. From the account you can set a level of importance for orders placed with a supplier when the order is entered in the Purchase Order Processing module. You can enter a priority code from A to Z, where A has the highest priority and Z the lowest. For more information see your *Sage 200 Purchase Order Processing Documentation*.

The default nominal code most commonly used is default purchases, which is a profit and loss default nominal account. You can override this here and at the point when you enter transactions for the account. Default nominal codes you can select are defined within the Nominal Ledger. Any cost centres and departments entered affect how nominal postings are derived if using cost centre breakdown. For more information about default nominal accounts see the *Sage 200 Nominal Ledger Documentation*.

Note: The default nominal code must be a posting type and exist in the Nominal Ledger, otherwise transactions are posted to the suspense account.

The analysis codes are used for reporting purposes. The analysis code labels you specified during the Accounting System Manager setup process are displayed by default. You can then assign the required code value and its associated description to each label for this supplier. The code value and description are stored and maintained in the Accounting System Manager. For more information see your *Sage 200 Accounting System Manager Documentation*.

Payment tab

The 'Payment' tab holds the information the ledger uses to process supplier payments. It uses a number of defaults set during the Purchase Ledger setup process. The defaults are displayed in the payment terms section of the window. These ledger defaults can be kept for the account record or changed where appropriate.

The screenshot shows the 'PL - Enter New Account' window with the 'Payment' tab selected. The window has a title bar with standard window controls and a tabbed interface with tabs for 'Company', 'Contacts', 'Trading', 'Payment', 'Credit', 'Attachments', 'Memo', and 'Transaction e-mail'. The 'Payment' tab is active, displaying three sections:

- Payment terms:**
 - Payment Group: 0 - Paid by Direct Debit (dropdown)
 - Account type: Open Item (dropdown)
 - Settlement discount: 0.00 %
 - if paid within: 0 days
 - Payment terms: 0 days
 - from: From End Of Month (dropdown)
- Bank details:**
 - Sort code: --
 - Account number: [text box]
 - Account name: [text box]
 - Bank payment reference: [text box]
- Factor houses:**
 - Factor House: [dropdown]

At the bottom of the window are buttons for 'Save', 'Clear', 'Duplicate', and 'Close'.

You can assign the account record as an open item, balance forward or an auto allocation account type.

Note: Balance forward accounts must not be used for foreign currency accounts.

The payment group reflects the payment methods defined during the ledger setup process. Provided you are using more than one payment method, you can select the required payment method for the account from the drop-down list.

The percentage settlement discount offered by your supplier and the number of days (up to 999) an invoice must be paid within to qualify for the discount are displayed. When creating an account, these values reflect any default discount values you entered during the Purchase Ledger setup process.

The 'Payment terms' and 'From' information reflect any default payment terms set during the Purchase Ledger setup process.

If you decide to make electronic bank payments to the supplier you need to enter the supplier's bank details into the bank details boxes.

If your supplier uses a factor house to collect payments on their behalf, you need to specify the factor house used by selecting it from the drop-down list provided. For more information see *Factor Houses on page 86*.

Note: The settings grouped under factor houses only display if you have created factor house records. See *Factor Houses on page 86*.

The Purchase Ledger uses the payment defaults to process transactions and maintain the ledger during the 'Period End' routine. It also uses the payment defaults to perform several calculations such as an appropriate payment due date for an invoice, which takes into consideration available discounts so that you can take advantage of the offers provided by your supplier. Other calculations are performed using these defaults when preparing reports such as the Aged Creditors report.

Credit tab

The 'Credit' tab holds credit reference information for the supplier record.

The screenshot shows a software window titled "PL - Enter New Account" with several tabs: Company, Contacts, Trading, Payment, Credit (selected), Attachments, Memo, and Transaction e-mail. The "Credit" tab is active and contains two main sections: "Credit terms" and "Credit review".

Credit terms section:

- Trading terms text: A text input field.
- Credit reference: A text input field with a browse button (...).
- Bureau: A dropdown menu.
- Credit position: A dropdown menu.
- Terms agreed: A checked checkbox.

Credit review section:

- A/C opened: A date picker showing 09/02/2006.
- Last credit review: A date picker showing //.
- Next credit review: A date picker showing //.
- Application date: A date picker showing //.
- Date received: A date picker showing //.
- Memo: A large text area for entering a memo.

At the bottom of the window, there are four buttons: Save, Clear, Duplicate, and Close.

Use the following descriptions to advise you about the information you can enter on this tab.

Trading terms text Type in text to describe the terms you have agreed with the supplier, for example '60 days'.

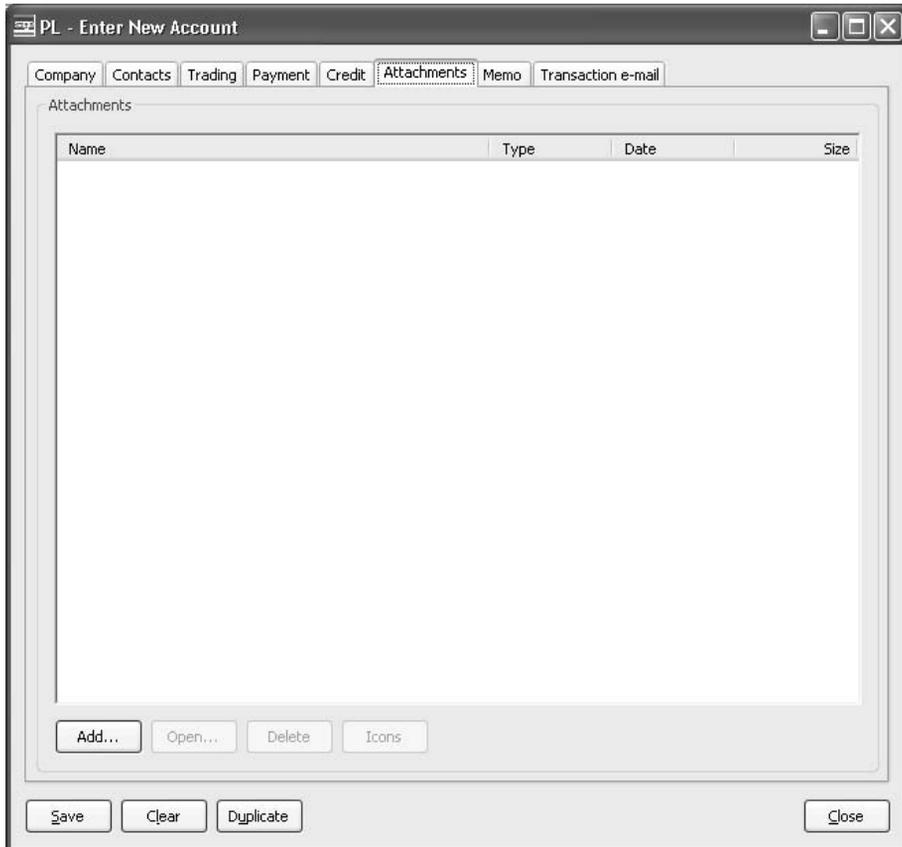
Credit reference Enter a reference for the credit terms here if you require.

Bureau	Select the credit reference bureau you want to use from the drop-down list. Your default credit bureau appears here automatically. when you create a new supplier record. The list of bureaus should be set up in the Accounting System Manager module prior to entering the credit information here. For more information see the <i>Accounting System Manager</i> documentation.
Credit Position	From the drop-down list, select the supplier's credit reference status. The list should be set up in the Accounting System Manager module prior to entering the credit position here. For more information see the <i>Accounting System Manager</i> documentation.
Terms agreed	Select this check box if you have agreed credit terms with your supplier.
A/C opened	Enter the date when you opened the supplier's account.
Last credit review	Enter the date your credit terms were last reviewed by your supplier.
Next credit review	Enter the date when your credit terms will next be reviewed by your supplier.
Application date	Enter the date you applied for credit with your supplier.
Date received	Enter the date you received credit from your supplier.
Memo	Enter any additional notes in the 'Memo' area.

Attachments tab

If you receive electronic documents from your suppliers you can use the 'Attachments' tab to link any documents stored on your computer system to the supplier account.

Any file can be connected to the supplier, for example a text file (file extension .txt). By default, the file details are displayed as text, along with the file type, the date of the file and the file size. To display the file as a graphic (with no details), click the 'Icons' button.



To add an attachment

- From the 'Attachment' tab, Click 'Add'.

The 'Add an Attachment' window appears.

- Locate the file that you require and click 'Open'.

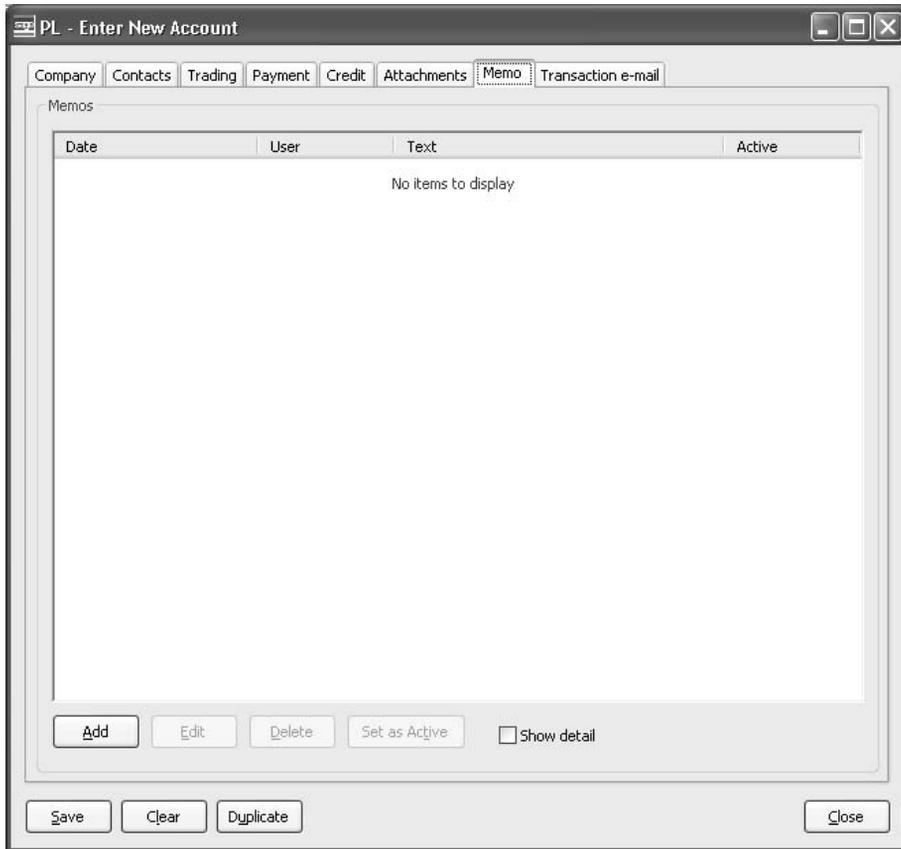
The file details are now listed on the 'Attachments' tab.

To remove the link to the file, select the file from the list and click 'Delete'. The link to the file is removed; the file itself is not deleted from your computer system.

Memo tab

Use the 'Memo' tab to add any comments that you want to make about the supplier record that you are creating or amending. You may want to add reminders to other members of your business that should be taken into consideration when calling this supplier (e.g that you are currently in dispute over an order).

You can mark these memos as 'Active' so you can tell which memos are still being used. Setting a memo as 'Inactive' allows you to keep a record of previous memos without deleting them from your Sage 200 system.



To add a memo

- Click 'Add' to enter a new memo.
- Enter your memo details.
- Click 'OK' to save the information.

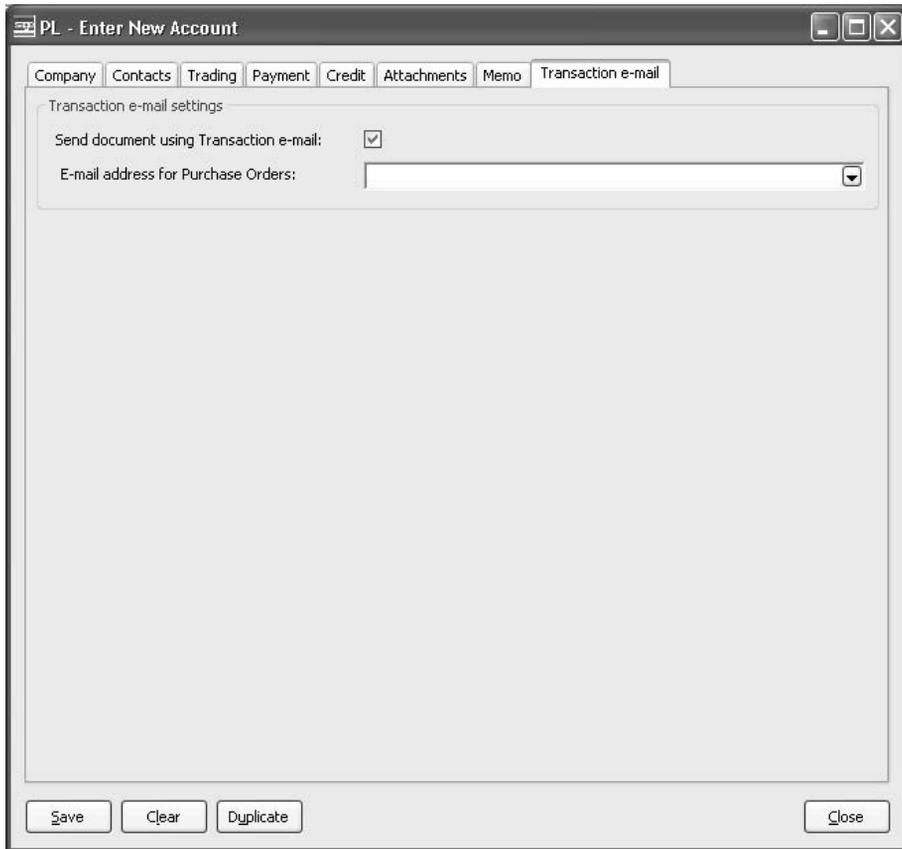
By default the new memo is marked as 'Active'. To mark a memo as 'Inactive', select the memo from the list and click 'Set as Inactive'. To remove a memo from the list, select the required memo and click Delete.

Click 'Yes' to confirm the deletion when the confirmation message appears.

Transaction e-mail tab

These settings are applicable if you intend to send purchase orders recorded in Purchase Order Processing to the supplier. To do this you must use Transaction e-Mail. For more information see your *Sage 200 Accounting System Manager* Documentation.

Note: You cannot set a foreign currency supplier account to use Transaction e-Mail. Transaction e-Mail works in base currency only.



The screenshot shows a software window titled "PL - Enter New Account" with a standard Windows-style title bar (minimize, maximize, close buttons). The window contains several tabs: "Company", "Contacts", "Trading", "Payment", "Credit", "Attachments", "Memo", and "Transaction e-mail". The "Transaction e-mail" tab is selected and active. Inside this tab, there is a section titled "Transaction e-mail settings". Under this section, there are two items: "Send document using Transaction e-mail:" followed by a checked checkbox, and "E-mail address for Purchase Orders:" followed by an empty text input field with a dropdown arrow on the right. At the bottom of the window, there are four buttons: "Save", "Clear", "Duplicate", and "Close".

When an order generated in Purchase Order Processing is sent to print the generated format is determined by the Transaction e-Mail setting on the supplier's record. If the supplier record is enabled to send documents using e-mail then the order is generated electronically and passed to Transaction e-Mail to be sent to the supplier. Otherwise the order is printed.

The e-mail address applied to the order is set on the supplier's account. This can be any one of the e-mail addresses specified on the 'Company' tab. Before the electronic order is sent to the supplier the order's e-mail address can be amended while it is stored in Transaction e-Mail.

Enter a new supplier account

Before you begin ...

You must have:

- ✓ Details of your Chart of Accounts. For more information see your *Sage 200 Nominal Ledger Documentation*.

Access the window

There are two ways to access the window depending on whether you want to enter a new purchase account, amend or view an account.

To enter a new supplier account; choose Purchase Accounts > Enter New Account.

Or

To edit an existing supplier record; choose Purchase Accounts > Amend Account Details.

PL - Enter New Account

Company | Contacts | Trading | Payment | Credit | Attachments | Memo | Transaction e-mail

Account

A/C ref:

Name: Credit limit: £

Short name:

Currency details

Currency:

Contact details

Address:

Postcode:

Contact:

Telephone: More ...

Mobile: More ...

Fax: More ...

E-mail: More ...

Web site: More ...

Save Clear Duplicate Close

Select the method to create the account record

There are two ways you can create a supplier account on the Purchase Ledger:

- From new, using the default value specified during the set up process.
- By opening an existing account and duplicating the account record (does not copy transactions).

Note: If your supplier is migrating to the euro currency, you can create a euro account for that supplier by duplicating their original account. This generates an account with the euro currency as the denomination and also copies memos and attachments.

Regardless of which method you choose, you accept or amend the displayed information to define the correct details for a supplier account.

Create the account from new

- To create a new account, click 'New'.
- Using the 'Company' tab, enter the account details.
 - If you are not using the 'Automatically generate supplier numbers' option, you must enter the account number.
 - Specify an account 'Name' and 'Short name'.
 - Enter the 'Credit limit', if applicable.
 - Assign the supplier's operating currency and select if it is a single or period exchange rate.
 - Enter the supplier's contact details.
- Using the 'Trading' tab, enter the trading details.
 - Accept or amend the 'Country code' and 'Default tax code'.
 - Enter the supplier's 'Tax number'.
 - Accept or amend the number of periods/months transactions are to be stored on the supplier's account.

- Enter an order priority code (A-Z), if the ledger is integrated with the Purchase Order Processing module.
- Accept or amend the 'Default nominal code'.
- Accept or amend the default analysis code labels.
- Using the 'Payment' tab, accept or amend the default payment terms.
 - Enter the supplier's bank details, if you intend to pay by electronic bank payments.
 - Assign a factor house, if applicable.
- If you intend to send purchase orders to your supplier using Transaction e-Mail click the Transaction e-mail tab.
 - Select the 'Send documents using Transaction e-mail' option.
 - Select the e-mail address to be applied to the orders using the drop-down.
- Click 'Save'.

Note: If you want to delete an account, click Delete while the account details are displayed. See *Chapter 3, Delete a Supplier Account*.

Create an account using the duplicate option

You can create an account from an existing supplier account. The generated new account holds the trading details of the original account. You can also generate the account to hold copies of memos and attachments from the existing supplier account.

This routine is particularly useful if your supplier also has offices abroad and so does business with you using a number of currencies. You can then create a number of accounts for the supplier for each currency that they use.

Note: Transactions associated with the original account are not copied to the new account.

Access the window

Choose Purchase Accounts > Enter New Account.

Enter the details

- Enter the account details on each tab.
- Click 'Duplicate'. The following window appears.

- Select the account that you want to duplicate from the 'A/C ref' drop-down list.
- Select the duplication details required (make a euro account duplicate, duplicate memos, duplicate attachments, duplicate credit information and duplicate contact information).
- Click 'OK'.
- Access the new account and edit the record if required.

Create account records from imported data

Use the 'Purchase Ledger Import' routine to create new purchase accounts from another software package into Sage 200 or from one Sage 200 dataset to another.

Note: You cannot use the Import routine to add information to an existing account. You cannot add address lines to an existing account for example. The Import routine only writes new records for Sage 200.

To use the routine you need to prepare an import file using a suitable ASCII format. The correct data format is CSV or XML. For more information see *CSV and XML Import on page 237*.

The Import account routine has two options; you can choose:

- Validate only, to check the import file.

This option only checks the import file is correctly prepared. It checks the database identifiers are specified correctly and the data is compatible with existing data in your system's database, for example valid cost centres and departments.

- Validate and import records, to both the import file and apply valid data to the supplier accounts.

This option checks the import file is correctly prepared as described above and then creates the new account records from valid data. The routine removes invalid records from the validation process.

When you invoke the Import routine you have the option to specify certain defaults for purchase accounts. They are:

- Nominal code
- Payment terms
- Account history (transactions held for)
- Country code.

By specifying defaults the routine automatically applies the default values to the supplier accounts for you. This can save time when preparing the import file.

The routine automatically generates a report which details failed and successful records. Use this report to identify problems.

Successful accounts are immediately applied to the Purchase Ledger, if you have selected the option 'Validate and import records'.

Before you begin ...

You must have:

- ✓ Prepared the data in the correct format and saved it on your system. For more information see *CSV and XML Import on page 237*.

Access the window

Choose Utilities > Import > Import Accounts.

The screenshot shows a dialog box titled "PL - Import Supplier Account Records". It contains two main sections:

- Record validation:** Two radio buttons are present. The first, "Validate records only", is selected. The second is "Validate and import records".
- Default values:** This section contains several input fields:
 - Nominal code:** A dropdown menu showing "44100".
 - Payment terms:** A text box with "999" followed by "days from:" and a dropdown menu showing "From End Of Month".
 - Keep transactions for:** A text box with "24" followed by "months".
 - Country code:** A dropdown menu showing "GB - Great Brit.".
 - Payment group:** A dropdown menu showing "0 - Paid by Direct Debit".
 - Ignore invalid analysis codes:** An unchecked checkbox.

At the bottom of the dialog are two buttons: "OK" and "Cancel".

Enter the details

- Specify intent to 'Validate records only' or 'Validate and import records' by selecting the appropriate import options.
- Specify the account 'Default values' required.
- Select 'Ignore invalid analysis codes' if you do not want the process to check whether the 'Analysis Name' or 'Analysis Value' entries in your import file already exist in Sage 200.
- Click 'OK', and specify the file path.

Outcomes

- The account records are created with all essential information though it may be necessary to modify the information created for each supplier account record.

Note: If failures have occurred, see the generated report, investigate further and re-enter the account record details.

Create account records using Update Account File

This routine requires IT developer knowledge to prepare the external data (which may have been generated from an external source) into a suitable format and write it into the Purchase Ledger. The routine validates the data before committing it to the ledger. This ensures the integrity of the records that are generated during the process. The routine adds individual supplier account headers or transactions from the validated data to the Purchase Ledger.

Note: You cannot use the 'Update Account File' to add information to existing accounts or import a foreign currency receipt or payment.

Access the window

Choose Utilities > Import > Update Account File.



Enter the details

- Select the file update option required (validate records only or validate and update records).
- Click 'OK'.

Outcomes

- The account records are created with all essential information though it may be necessary to modify the information created for each supplier account record.
- A report is generated.

Enter Opening Balances

Opening balances represent the financial position of your organisation on the day you start entering live transactions onto the Purchase Ledger. Whatever date you choose, you are likely to have opening balances, whether your organisation is just starting up or changing from another accounting system.

You can enter more than one opening balance per account and this can be a combination of both invoices and credit notes. This is achieved using the 'Opening Balance Invoice or Credit' routine. You can use batch processing to enter your opening balances. For more information see *Chapter 4, Record multiple items (batch processing)*.

When you enter an opening balance the system assigns the transaction as type 'OP'.

Note: Purchase Ledger opening balances do not post to your Nominal Ledger. Enter Nominal Ledger opening balances through the Nominal Ledger. For more information see your *Sage 200 Nominal Ledger Documentation*.

Add a purchase opening balance

Before you begin ...

You must have:

- ✓ Created the supplier account. See *Chapter 3, Create a Supplier Account Record*.
- ✓ Ensured the account is not on hold. See *Manage Account Status on page 82*.

Access the window

Note: The window you select depends on whether you want to enter a debit or credit opening balance.

For an opening debit balance, choose Enter Transactions > Opening Balance Invoice.

For an opening credit balance, choose Enter Transactions > Opening Balance Credit.

The screenshot shows a software window titled "PL - Enter Purchase Opening Balance Invoice". It contains several input fields and buttons. The "A/C ref" section has three dropdown menus. The "Account balance" and "Credit limit" sections have text input boxes. The "Invoice details" section has four input boxes, with "Invoice date" and "Due date" having calendar icons. The "Transaction details" section has five input boxes. A note at the bottom reads "Opening balances do not affect the nominal ledger or VAT records." At the bottom of the window are four buttons: "Save", "Clear", "Save and Retain A/C ref", and "Close".

Enter the details

This activity has no effect on the Nominal Ledger or the VAT Return. The above windows use the example of an invoice for an opening balance.

- Select the supplier account you want to add an opening balance to.
- Enter the invoice or credit note details, amending the default invoice or credit note date if required.
- Enter the transaction details.
- Specify the opening balance by adding the total value of the goods including VAT and exclude any settlement discount.

For a foreign supplier account, enter the value of the goods in the supplier's currency. Check the default exchange rate within the window and amend it if required. This only affects the rate on the opening balance transaction and does not update the 'Currency & Exchange Rates' table. For more information about the exchange rate table, refer to the *Sage 200 Accounting System Manager* Documentation.

- Accept or amend the purchase settlement terms, if the defaults are not suitable for the transaction.
- Click 'Save' to save the information and then clear the account information from the screen. Alternatively click 'Save and Retain A/C Ref' to save the information and keep the selected supplier account information on-screen.

Rectify an opening balance

Opening balances cannot be amended. If you make a mistake when entering an opening balance you can alter it by entering another opening balance transaction to reverse the original. For example, an opening balance credit note reverses an opening balance invoice.

Note: Opening balances do not affect turnover values.

Amend a Supplier Account

It is important to maintain accurate supplier records on the Purchase Ledger. Many supplier details such as address, bank account, discount terms can change over time. You can amend your supplier attachments and memos if you want. However certain details cannot be changed on the supplier's record. They are:

- Account reference
- Currency
- Account balance

Turnover figures on a supplier's account for this month, year to date and last year can be amended.

One area to consider when changing account details and that is payment groups. First the payment group must be known to the ledger, therefore you need to return to the setup process and define the payment group if you have not already done so. In addition, you cannot change a payment group if there are payments waiting to be processed on the ledger in the suggested payments file. For more information see *Chapter 5, Delete suggested payments*.

Before you begin ...

You must have:

- ✓ Details of your Chart of Accounts. For more information see your *Sage 200 Nominal Ledger Documentation*.
- ✓ Ensured the supplier account is not 'on hold'. See *Manage Account Status on page 82*.

Access the window

Choose Purchase Accounts > Amend Account Details.

PL - Amend Account Details

Company | Contacts | Trading | Payment | Credit | Attachments | Memo | Transaction e-mail

Account

A/C ref: ATL001 Account balance: £ 2014.97

Name: Atlas Ranges Ltd Credit limit: £ 20000.00

Short name: Atlas

Currency details

Currency: Pounds Sterling

Contact details

Address: 14 Adlington Court
Garrard Way
Kettering
Northamptonshire

Postcode: NN16 3JU

Contact: John Mohoney

Telephone: 01536 527833 More ...

Mobile: More ...

Fax: 01536 524496 More ...

E-mail: john@atlas.co.uk More ...

Web site: www.atlas.co.uk More ...

Save Clear Delete Close

Enter the details

- Select the account which requires amendment from the 'A/C ref' drop-down list.

Note: If you have selected the wrong account choose 'Clear' to clear the details and re-select.

- Update the required details. See *Create a Supplier Account Record* on page 50.

Manage Account Status

From time to time you may need to suspend a supplier account until a query is answered or a problem solved.

The routine is simple and once completed stops any further transactions on a supplier's account, including payments due, until further notice. To remove the account stop it is simply a case of reversing the routine.

Note: Supplier direct debits and standing order payments set up in the Cash Book will not be stopped by putting the supplier account on hold.

Access the window

Choose Purchase Accounts > Amend Account Status

PL - Supplier Account Status

Supplier details

A/C ref: ATL001

Short name: Atlas

Post code: NN16 3JU

Name: Atlas Ranges Ltd

Address: 14 Adlington Court
Garrard Way
Kettering
Northamptonshire

Account status

On hold

Save Close

Apply an 'on hold' flag to a supplier account

- Select the supplier account you want to put on hold.
- Select the 'On Hold' check box.

Remove an 'on hold' flag from a supplier account

- Select the supplier account you want to release from on hold status.
- Remove the 'On Hold' flag by clearing the on hold check box.

Delete a Supplier Account

As supplier accounts become redundant it is possible to remove them from the Purchase Ledger. However, the ledger only deletes an account if it conforms to certain criteria, thereby safeguarding against deleting an active account. This means there must be no transactions on the account or held in the archive file.

To delete an account which has transactions on file you must first delete the current transactions. You must then delete the historical transactions. For more information see *Chapter 8, Delete archived transactions*.

If the ledger is integrated with the Purchase Order Processing module, you cannot delete the account if there are outstanding purchase orders in the module regardless of their status. For more information see your *Sage 200 Purchase Order Processing Documentation*.

If the ledger is integrated with the Project Accounting module, you cannot delete the customer account if there are still contracts listed in the module.

Before you begin ...

You must have:

- ✓ No entries on the account, current or historical.
- ✓ No entries pending posting.
- ✓ No outstanding orders for the supplier in the Purchase Order Processing module.

Access the window

Choose Purchase Accounts > Amend Account Details.

The screenshot shows a software window titled "PL - Amend Account Details". At the top, there are several tabs: "Company", "Contacts", "Trading", "Payment", "Credit", "Attachments", "Memo", and "Transaction e-mail". The "Company" tab is selected.

The window is divided into several sections:

- Account:**
 - A/C ref: (dropdown arrow)
 - Account balance: £
 - Name:
 - Credit limit: £
 - Short name:
- Currency details:**
 - Currency: (dropdown arrow)
- Contact details:**
 - Address:
 - Postcode:
 - Contact:
 - Telephone:
 - Mobile:
 - Fax:
 - E-mail:
 - Web site:

At the bottom of the window, there are four buttons: "Save", "Clear", "Delete", and "Close".

Enter the details

- Select the supplier account you want to delete. If the account still has outstanding orders, the Delete button will be unavailable.
- Click 'Delete'.

Outcomes

- The account is removed from the Purchase Ledger.

Factor Houses

Factor houses are third party companies employed by suppliers to collect payments from customers. Within your Sage 200 program, factor house details are separately maintained to supplier account records. If your suppliers use factor houses to collect payments, then you need to create factor house records and assign them to supplier accounts to ensure payments are directed to the appropriate organisation.

In the same way you manage your account records, you need to manage the factor house records. You therefore need to create, amend and delete factor house details as and when appropriate.

Access the window

Choose Utilities > Ledger Set Up > Factor Houses.



Enter the details

- Select the existing factor house you want to link to the supplier; or create a new one if it does not exist by clicking 'Add'.

If you are editing the factor house details the 'Amend Factor House' window appears, displaying the selected Factor House's contact details.

If you are entering a new factor house, the Enter New Factor House window appears. Add the new details into the window.

- Click 'Link Suppliers'.

The following window appears, displaying suppliers currently linked to the factor house.



- Click 'Link'.

If the factor house has a supplier linked to it, the 'Select Supplier To Link' window appears displaying the supplier contact details.

The screenshot shows a dialog box titled "Select Supplier To Link". It contains a "Supplier Details" section with the following fields:

- A/C ref: [dropdown menu]
- Short name: [dropdown menu]
- Post code: [dropdown menu]
- Balance: £ [text box containing 0.00]
- Name: [text box]
- Address: [text box]

At the bottom of the dialog box, there are "OK" and "Cancel" buttons.

- Select the supplier you want to link to the factor house.
- Click 'OK' to complete the link. The supplier is added to the previous screen.

If the ledger finds the supplier is linked to another factor house you are prompted to confirm your intent to retain the link or revise it and link it to the factor house you have selected.

Note: The linked factor house is the account payee printed on all payments and cheques for a supplier. The supplier's name is also referenced on these documents.

Manage Supplier Invoices and Credit Notes

This chapter describes the life cycle of supplier transactions. It looks at creating a record of transactions such as an invoice or credit note, through to how you retrieve, amend or reverse a transaction.

Although this chapter primarily focuses on bookkeeping activities it also covers the control of outstanding transactions with the aim of establishing and maintaining accurate supplier account balances.

This chapter does not cover payment transactions which are dealt with in a later chapter. For more information see *Chapter 5, Manage Supplier Payments*.

Note: This chapter assumes transactions are entered in your base currency. The implications of working with foreign currency transactions is dealt with in a separate chapter. For more information see *Chapter 6, Manage Foreign Currency Transactions*.

Activities:

Record a single item (invoice or credit note)

Record multiple items (batch processing)

Amend transactions

Authorise transactions

Reverse transactions

Before you begin ...

You must have:

- ✓ Created supplier account records. For more information see *Chapter 3, Create a Supplier Account Record*.

Note: You must have suitable security privileges to perform these activities. See your system administrator for more information.

Remember ...

Use your help system for further definition of the Sage 200 windows.

For more information on using the help system, see the *Sage Operations* Documentation.

Record Supplier Transactions

Purchase Ledger transactions are a record of the financial activities that occur between you and your suppliers. The transactions range from the receipt of supplier invoices through to payments made to your supplier which you record on a day to day basis. There are a variety of ways you can enter transactions onto your Purchase Ledger.

- You can enter an invoice or credit note directly onto the ledger as a single item.
- You can store a record of several invoices and credit notes and when you are ready, commit them to the ledger. By storing several transactions you are creating a batch and this activity is called batch processing. See *Record multiple items (batch processing) on page 99*. However you can only use batch processing if you have activated allow batch processing during the Purchase Ledger setup process. For more information see *Chapter 2, Set Up the Purchase Ledger*.

Note: If you want to enter the same type of transaction for several suppliers at one time, we recommend that you use batch processing.

- If your supplier is also your customer then you can enter contra entries to allocate sales invoices against purchase invoices (Purchase Ledger Contra). For more information see *Chapter 5, Offset Purchase Debt*.
- You can also import transactions that have been created from an external source. For more information see *Chapter 7, Import and apply transactions from an external source*.

If you have activated the invoice authorisation option during the ledger setup process then it affects how the invoices and credit notes are processed. For more information see *Invoice authorisation on page 31*.

With invoice authorisation activated, all invoices recorded on the ledger are flagged for authorisation. You can clear the authorisation flag as you record invoices on the ledger provided the invoice value does not exceed the authorisation value. You cannot do this if the value has been exceeded.

With invoice authorisation activated, any credit notes recorded on the ledger, regardless of their value, are automatically selected for authorisation. However you can clear the authorisation flag if required.

Transactions that require authorisation are identifiable by the character 'U', and this can be seen when you view the transaction through screen enquiries in the query column. For more information see *Chapter 7, Query Your Supplier Accounts*.

While the invoices or credit notes require authorisation they are automatically posted to the unauthorised purchases account. For more information see your *Sage 200 Nominal Ledger Documentation*. When you authorise the transactions, the original postings are automatically reversed from the unauthorised purchases account and you can then apply your usual nominal analysis. See *Authorise Transactions on page 104*.

When you enter a transaction onto the Purchase Ledger, regardless of which method you use, you are updating the supplier account and you are also updating the VAT register, the relevant account on the Nominal Ledger and the Cash Book bank account, if applicable. However, the update to the Nominal Ledger account only occurs if the transaction date falls before or within the current period date set on the Nominal Ledger. If the transaction relates to a future date then it is placed in the Nominal Ledger deferred posting file until the transaction date falls within the current period end date. For more information see your *Sage 200 Nominal Ledger Documentation*.

Before you begin ...

You must have:

- ✓ Details of your Chart of Accounts. For more information see your *Sage 200 Nominal Ledger Documentation*.
- ✓ Ensured the supplier account is not on hold.

Record single items

This method is ideal when you want to enter individual transactions directly onto the Purchase Ledger. It is generally used to deal with small numbers of supplier transactions at any one time.

Record invoices

When you enter an invoice onto the Purchase Ledger you are updating the supplier account and you are also updating the VAT register and the relevant account on the Nominal Ledger. If you have set the ledger to hold transactions for authorisation, then the update will not occur until authorisation has been applied to the transaction. See *Authorise Transactions on page 104*.

Invoices are entered onto the ledger using a window which holds the default values for the supplier account. If the default values do not match the transaction then it is simply a case of overriding the default value with one that is more appropriate. This does not affect the defaults you have already set for the supplier account. For example, if the account is set to default to 7.5% for discount, then it is this figure that is used to calculate the discount for the transaction.

However, if the discount for the invoice is only 5%, then you should override the percentage value to the new amount of 5%.

The screenshot shows the 'PL - Enter Purchase Invoice' window. It contains the following fields and sections:

- Supplier details:** A/C ref (dropdown), Short name (dropdown), Post code (dropdown), Account balance (text), Credit limit (text).
- Invoice details:** Invoice date (text), Due date (text), Reference (text with checkmark), Second ref (text).
- Transaction details:** Goods value (text), Discount percent (text with %), Discount days (text), Discount value (text), Tax value (text), Invoice total (text).
- Requires authorisation:**
- Project Analysis:** A table with columns: Project Code, Project Item, A/C No, CC, Dept, Name, Narrative, Goods Value, Tax C..., Discou..., Tax Value, Value to Bill.
- Buttons:** Save, Clear, Save and Retain A/C ref, Close, Show Details >>

As you enter information into the boxes within the window the discount, tax and tax analysis (VAT) values automatically calculate for you. This is fine for simple invoices. For more complex invoices that consist of several items of various VAT rates and require additional levels of nominal analysis, you need to amend the calculated values to ensure the tax value and tax analysis (VAT) value match.

If you have agreed a credit limit with your supplier and specified this as a control on the account record then the ledger checks whether the transaction exceeds the agreed limit. It warns you but does not stop the transaction when the credit limit is exceeded.

If you have activated invoice authorisation during the Purchase Ledger set up process then the 'Requires authorisation' box is automatically selected. If the invoice value does not exceed the specified authorisation value then you have the option to remove the authorisation flag from the

invoice by clearing the 'Requires authorisation' box. However, if the invoice exceeds the specified authorisation value you cannot clear the authorisation flag.

When you record an invoice, the ledger is set to post the goods value to one nominal account. The default nominal account assigned to the supplier account is displayed when invoices are entered. The default nominal account can be overridden as you record the invoice. You can also post invoice items to several nominal accounts if required.

If you have Project Analysis enabled, the Project Analysis tab will also be displayed on the invoice window. This allows you to the project details in the invoice.

If you have Transactional Analysis enabled, in both the Accounting System Manager and in the Ledger Settings within the Purchase Ledger, an additional column will appear in the Nominal Analysis area of the invoice. This allows you to view additional transactional analysis information alongside the invoice.

Finally, all invoices are entered onto the ledger in the operating currency specified for the supplier account. However nominal postings are made in the base currency you have chosen for Sage 200.

Access the window

Choose Enter Transactions > Invoice.

PL - Enter Purchase Invoice

Supplier details

A/C ref: Account balance:

Short name: Credit limit:

Post code:

Invoice details

Invoice date:

Due date:

Reference:

Second ref:

Transaction details

Goods value: Discount days: Tax value:

Discount percent: % Discount value: Invoice total:

Requires authorisation

Project Analysis **Nominal & Tax Analysis**

Project Code	Project Item	A/C No	CC	Dept	Name	Narrative	Goods Value	Tax C...	Discou...	Tax Value	Value to Bill

Enter the details

- Select the supplier account you want to add an invoice to.
- Enter the invoice details and amend default values where required.
 - Enter the 'Reference' and click the tick box to the right of the 'Reference' to check that 'Reference' and 'Date' are unique.
- If your system is set to use invoice authorisation the invoice is automatically flagged for authorisation. To remove this for the invoice, clear the 'Requires authorisation' check box. This can only be done if the invoice value has not exceeded the authorisation limit set for the Purchase Ledger.
- Enter the transaction details, goods value and settlement discount.

Note: When settlement discount is entered on an invoice, VAT is calculated on the goods value less the settlement discount. If the country code on the supplier record is the Republic of Ireland (country code IE) then the VAT is calculated at the goods value regardless of any settlement discount.

- Accept or amend the 'Tax analysis' (VAT) for each item on the purchase invoice. If you are working with goods items which have different tax (VAT) rates applied to them ensure the tax value within the tax analysis matches the tax value (VAT) for the transaction.
- Accept or amend the 'Nominal analysis' requirements for each item on the purchase invoice. Both positive and negative values can be entered in the goods value for nominal analysis.

You can change the narrative description within the nominal analysis to make the transaction more meaningful within reports.

If you are using Transaction Analysis codes, you can select a code from the drop-down list.

Note: You can only amend the nominal analysis requirements if the invoice is not flagged for authorisation. If you have set the Purchase Ledger to hold transactions for authorisation then the invoice is applied to the supplier's account with a 'U' in the query flag column. See *Authorise Transactions on page 104*.

- If you are using Project Analysis, you can enter your Project Analysis information on this tab.

Project Analysis		Nominal & Tax Analysis									
Project Code	Cost Item	A/C No	CC	Dept	Name	Narrative	Transactio...	Goods Value	Tax C...	Discou...	Tax Value
Sage Visions ...	I10001	44100	BIK	ADM	Purchase 4	PI / ADDS...		700.00	Standar...	17.50	119.44
								0.00		0.00	0.00

- Click 'Save', to store the invoice. You are now ready to select another supplier account and enter your next invoice or you can close the activity. Alternatively click 'Save and Retain A/C ref' to save the invoice but retain the supplier account so that another invoice can be recorded for the same supplier.

Record credit notes

Credit notes are entered onto the Purchase Ledger in the same way as invoices.

If you are using invoice authorisation all credit notes are flagged for authorisation. This can be removed as you enter the credit note by deselecting the 'Requires authorisation' check box.

By entering a credit note onto the ledger you reduce the turnover for the relevant supplier's account. You can also reduce the supplier's turnover values by reversing an invoice that has been posted to the supplier's account record. See *Reverse Transactions on page 107*.

Access the window

Choose Enter Transactions > Credit Note.

PL - Enter Purchase Credit Note

Supplier details

A/C ref: Account balance:

Short name: Credit limit:

Post code:

Credit Note

Transaction details

Goods value: Discount days: Tax value:

Discount percent: % Discount value: Credit note total:

Requires authorisation

Credit note details

Credit note date:

Reference:

Second ref:

Project Analysis | Nominal & Tax Analysis

Project Code	Project Item	A/C No	CC	Dept	Name	Narrative	Goods Value	Tax C...	Discou...	Tax Value	Value to Bill

Show Details >>

Save Clear Save and Retain A/C ref Close

Enter the details

- For more information see *Record invoices on page 92*.

Outcomes

The routine produces the following outcomes for both invoice and credit note entry.

Invoice	Credit Note
<ul style="list-style-type: none">● The supplier's account balance is increased by the gross value of the invoice (including VAT if appropriate).● The account's turnover for this month (or for the next month if a future period's date is entered) is increased by the net amount (goods value) of the invoice.● The purchase account(s) (profit and loss) within the Nominal Ledger are debited with the goods value according to the analysis.● The default tax input account for VAT account (for the balance sheet) within the Nominal Ledger is debited with the value of the VAT if included.● The creditors control nominal account (for the balance sheet) within the Nominal Ledger is credited with the gross value of the invoice.● The VAT file is updated with the goods and VAT value for each VAT rate used. The entry is made for the current ledger month unless the posting is for a future period when the appropriate month is used. This ensures that transactions entered late after the month has been closed are included in the next VAT Return.	<ul style="list-style-type: none">● The supplier's account balance is reduced by the gross value of the credit note (including VAT if appropriate).● The account's turnover for this month (or for the next month if a future period's date is entered) is decreased by the net amount (goods value) of the credit note.● The purchase account(s) (profit and loss) within the Nominal Ledger are credited with the goods value according to the analysis.● The default tax input VAT account (for the balance sheet) within the Nominal Ledger is credited with the value of the VAT if included.● The creditors control nominal account (for the balance sheet) within the Nominal Ledger is debited with the gross value of the credit note.● The VAT file is updated with the goods and VAT value for each VAT rate used. The entry is made for the current ledger month unless the posting is for a future period when the appropriate month is used. This ensures that transactions entered late after the month has been closed are included in the next VAT Return.

Record multiple items (batch processing)

Batch processing is ideal when you need to process many transactions at the same time. It means you can enter several similar transactions together in a list and then post them to the ledger simultaneously, instead of posting individual transactions to the ledgers one at a time.

You can use batches to enter invoices, credit notes, payments and opening balances, although a batch can only contain one type of transaction at any one time. It is also possible to enter a mix of foreign currency transactions to the batch.

As you add invoices and credit notes to the batch, you can select them for authorisation provided you have activated the 'Invoice Authorisation' option during the Purchase Ledger set up process. For more information see *Invoice authorisation on page 31*.

To perform batch processing you first need to create a batch then enter the details for each transaction to the batch. Before the batch is finally committed to the ledger you can:

- Print the details of transactions held in the batch.
- Amend the transactions held in the batch.
- Delete transactions from the batch.

Batch processing also provides you with an extra level of validation when entering transactions. This is achieved by specifying the expected number of transactions and their total value when you create the batch. When you are ready to commit the batch to the ledger it checks the expected values against the actual values entered. If discrepancies are found, the ledger does not commit the batch until they are resolved.

There are two levels of access associated with batch processing.

- Manager access mode (provides you with access to all batches regardless of who has created them).
- User access mode (provides you with access to those batches created under your own user name).

Depending on your user log on name, privileges depend on the level access mode you are allowed to use.

Note: See your system administrator for more details regarding your batch processing privileges.

Before you begin ...

You must have:

- ✓ Activated the batch processing setting for the Purchase Ledger. For more information see *Chapter 2, Set Up the Purchase Ledger*.

Access the window

Choose Enter Transactions > Batched Transactions

PL - Batch Transactions

Batch headers

Batch Title	Created By	Type	Expected Entries	Expected Total	Actual Entries	Actual Total	Created	Amended
No items to display								

Commit New Edit Delete Print

Batch transactions for

A/C Ref.	Name	Reference	2nd Ref.	Currency	Goods Value	Tax
No items to display						

Add Edit Delete

Close

Add a batch transaction

- Create a batch by clicking 'New'.
- From the 'Create New Batch' window, assign a title to the batch.
- Specify transaction type (invoice, credit note, payment, invoice opening balance or credit opening balance).
- Enter the expected number of transactions and their total value once all of the transactions have been paid.

- Click 'OK'. You are returned to the 'Batch Transactions' window. The details that you have entered can be seen in the top half of the 'Batch Transactions' window.
- Click 'Add'.

Depending on the transaction type you have elected to enter the routine displays the relevant window for you to enter individual transactions. Use this window to add each transaction to the batch list following the rules used to enter the transaction type you are dealing with. There is a limit of 20 nominal analysis lines that can be applied to an invoice or credit note transaction when using batch processing.

Note: You are not able to allocate receipt or payment transactions using the Batched Transactions entry routine.

- Click 'Close' once you have finished entering transactions. The transaction details are added to the bottom half of the 'Batch Transactions' window.
- If you are satisfied the batch is complete, record the details to the ledger to complete the process by clicking 'Commit'.

The ledger checks the expected transaction numbers and their combined values against those within the list. If the values do not match the routine stops. To resolve this you can either edit the transactions in the batch list on an individual basis or edit the total values you specified for the batch, using the 'Edit' button.

Amend a batch transaction

Provided the batch has not been committed to the Purchase Ledger you can access the batch and amend it as necessary. When you amend a batch you must ensure the expected number of transactions and their total value for the batch, matches the values for all transactions within the list. You can also amend the batch title.

Access the window

Choose Enter Transactions > Batched Transactions.

Enter the details

- Select the batch, by title, that you want to amend.
- To edit the batch click 'Edit'.

The screenshot shows a dialog box titled "PL - Edit Batch". It contains the following fields and values:

Field	Value
Batch Title:	Batch 0001
Batch type:	Payment
Number of entries:	5
Batch total:	500.00

Buttons: OK, Cancel

- Amend the transaction details as required.
- To delete a batch transaction, select the transaction from the 'Batch Transaction' window and then click 'Delete'.

Amend Transactions (non accounting details only)

While a transaction has not been allocated on a supplier's account, you can amend the reference, second reference and due date.

Access the window

Choose Adjust Transactions > Amend Details.

PL - Amend Supplier Transaction Details for BGT Distribution Ltd

Supplier details

A/C ref: BGT001 Name: BGT Distribution Ltd

Short name: BGT Dist Address: 155 Curzon Court
Kidderminster
Worcestershire

Post code: DY10 5KK

Transactions to amend

Trans. type: All Date from: / / to: / /

Trans. Type	Trans. Date	Due Date	Reference	Second Ref.	User	Source	URN
Invoice	18/04/2006	30/05/2006	0000000190	456	User 3	POP	608
Invoice	30/09/2006	30/10/2006			User 2	POP	1502

Save Close

Enter the details

- Select the supplier account that you want to amend.

Note: If all transactions on an account are allocated, then no transactions are shown.

- Specify the transaction type and the date range. Transaction type may be: all, receipt, payment, invoice, credit note or opening balance.
- To amend a transaction, click on the transaction that you want to edit; amend the reference, second reference and due date as required.
- Click 'Save'.

Authorise Transactions

This activity is only relevant if you have elected to use the invoice authorisation setting. For more information see *Chapter 2, Set Up the Purchase Ledger*.

Transactions which are assigned an unauthorised query flag ('U' in the status column in screen enquiries), indicate they require authorisation, have been processed in the Purchase Ledger and posted to the Nominal Ledger unauthorised purchases account. Once the purchase transactions are authorised, postings are automatically reversed from the unauthorised purchases account and posted to the appropriate nominal accounts.

Payments cannot be made for invoices while they require authorisation. Also, it is not possible to reverse a transaction assigned an unauthorised query flag.

You can prepare a report which identifies all transactions that require authorisation on the Purchase Ledger before you start this process. For more information see *Chapter 7, Unauthorised Transactions report*.

You can authorise transactions for all accounts or an individual supplier account. Once you have selected the range of supplier transactions you want to authorise, the routine displays them. If there are no transactions pending authorisation, the routine indicates this by displaying the total for authorisation as zero.

Before you begin ...

You must have:

- ✓ Suitable access rights to authorise transactions.

Access the from

Choose Enter Transactions > Authorisation.

The screenshot shows a software window titled "PL - Authorise Supplier Transactions". It features a "Selection criteria" section with a dropdown menu set to "All". Below this is a table with columns: "Trans. Date", "Reference", "2nd Ref", "Goods Value", and "Tax Value". The table content displays the message: "No unauthorised transactions have been found." At the bottom of the window, there are three buttons: "Authorise", "Find", and "Close".

Enter the details

- Choose to authorise a single supplier or multiple suppliers. The figure above illustrates the window when a single supplier is selected.

If you are selecting multiple suppliers, select the 'Multiple suppliers' option and then refine the selection displayed. You can enter an account range or use the 'Select' drop-down list to use a date range.

- Select the transaction you want to authorise and click 'Authorise'.

The ledger displays the following screen for final authorisation.

Transaction Nominal Analysis

Transaction details

A/C ref: Reference:

Supplier name: Second reference:

Transaction date: Gross goods value:

Nominal analysis

A/C No.	Cost Centr	Dept	Name	Goods Value	Type	Narrative
44100	SAL	VAL	Materials - Purchases Res	700.00	Posting	PI / Authorised by...
Totals				700.00	Amount left:	0.00

- Check the details displayed on-screen. If they are incorrect, edit the nominal details.
- Authorise the transaction by clicking 'OK'.

The routine returns to the previous screen for you to continue authorising the remaining supplier transactions.

Outcomes

- The unauthorised query flag is removed from the transaction.
- The nominal expense account (for profit and loss) is debited with the goods value according to the nominal analysis, and a corresponding double-entry is posted (credit) to the unauthorised transaction account (for the balance sheet).

Reverse Transactions

Use the 'Reverse Transaction' routine to revoke invoice, credit note, payment and receipt transactions. Payment transactions are dealt with in a separate chapter. For more information see *Chapter 5, Manage Supplier Payments*.

You can only reverse a transaction provided:

- It is not an opening balance type transaction.
- It is not been allocated.
- It does not have a query flag or unauthorised flag set against it.
- If it is a bank transaction; it has not been reconciled to your bank statement, and the bank account is in the same currency as your base currency.

Note: You cannot reverse a foreign currency transaction.

The routine reverses the transaction entry on the supplier account as well as the original entries made to the VAT file and Nominal Ledger. It does this by invoking the opposite routine used to enter the original transaction. For example the ledger invokes the 'Credit Note Entry' routine to reverse an invoice. By doing so it displays the postings it will make to reverse the transaction.

Reverse postings are transactions in their own right and are stored in the supplier's account using the same date and references used in the original transaction. The VAT and nominal analysis values are also derived from the original transaction and you cannot change these values during the reverse process. However, you can amend the narrative to indicate the transaction is reversed.

If the original transaction is no longer stored on the account, for example the transaction has been purged from the ledger which means the original entry is not obtainable, then the routine retrieves the default tax code and nominal code from the supplier's account, which you can amend if required.

If you are using balance forward accounting you are not able to reverse transactions if they have been brought forward as an opening balance on the supplier's account.

Before you begin ...

You must have:

- ✓ For a bank entries (such as a receipt or payment), the transaction must not be reconciled.
- ✓ The supplier's bank account must be in the same currency as your base currency.
- ✓ Ensured the transaction is not marked with a query flag.

Access the window

Choose Adjust Transactions > Reverse Transaction.

The screenshot shows a software window titled "PL - Reverse Supplier Transactions for Atlas Ranges Ltd". The window is divided into two main sections: "Details" and "Reversible transactions".

Details Section:

- A/C ref:** A dropdown menu with "ATL001" selected.
- Short name:** A dropdown menu with "Atlas" selected.
- Post code:** A dropdown menu with "NN16 3JU" selected.
- Name:** A text field containing "Atlas Ranges Ltd".
- Address:** A text area containing "14 Adlington Court", "Garrard Way", "Kettering", and "Northamptonshire".

Reversible transactions Section:

Trans. Type	Reference	2nd Ref.	Trans. Date	Value
Invoice			14/07/2006	1759.88
Invoice			22/07/2006	821.28

At the bottom of the window, there are two buttons: "Reverse" and "Close".

Enter the details

- Select the supplier account you want to apply a reverse transaction.
- Select the transaction to be reversed and click 'Reverse'.

The appropriate transaction entry screen appears.

- If required, amend the text information for the original transaction.
- If the ledger is unable to locate the original nominal ledger postings and tax, refine the account default tax and nominal analysis, if required.

Note: If the transaction is a receipt or payment and the system cannot find the bank entry for the transaction, then you will not be able to reverse the transaction.

Manage Supplier Payments

This chapter deals with settling your purchase debts; from the physical transfer of money to your suppliers through to recording and allocating transactions.

This chapter also explains the various reports you use to control your purchase budget. From identifying when your supplier invoices should be paid through to taking advantage of available discounts to optimise your cashflow.

Note: The chapter assumes payments are made to your suppliers in your base currency and not foreign currency. The implications of foreign currency payments are explained in a separate chapter. For more information see *Chapter 6, Manage Foreign Currency Transactions*.

Activities:

Generate suggested payments

Check suggested payments

Amend suggested payments

Process payments

Delete suggested payments

Record a settled debt

Allocate payments

Amend allocations

Deal with returns

Maintain remittance messages

Offset purchase debt (contra adjustment)

Before you begin ...

You must have:

- ✓ Applied transactions to your supplier accounts. For more information see *Chapter 4, Manage Supplier Invoices and Credit Notes*.
- ✓ Posted all outstanding transactions. For more information see *Chapter 7, Manage Pending Transactions*.

Note: You must have suitable security privileges to perform these activities. See your system administrator for more information.

Remember ...

Use your help system for further definition of the Sage 200 windows.

For more information on using the help system, see the *Sage Operations* Documentation.

Manage Supplier Payments Overview

The Purchase Ledger is designed to process and record payments to your suppliers by performing the following activities:

- Prioritise your outstanding purchase debt.
- Process payments in accordance with your payment methods, such as cheques and electronic banking.

Note: Before you can use the electronic banking facilities available within Sage 200 you must acquire Sage e-Banking and a suitable electronic banking service. You also need to enable e-Banking in the Cash Book by setting up the Cash Book for electronic banking. For more information see your *Sage 200 Cash Book Documentation*.

- Allocate payments to the appropriate transactions. This can be done automatically or manually.
- Allocate payments on account when the payment does not directly relate to a specific transaction.
- Offset a purchase debt against a sales debt (contra adjustment). See *Offset Purchase Debt on page 140*.
- You can reverse a cheque payment which has been returned as void by the bank. This activity is performed using the Receipt routine. See *Deal with returns on page 136*. It is also possible to reverse a cheque payment using your Cash Book module. For more information see your *Sage 200 Cash Book Documentation*.

Payments can be processed in either your base currency or foreign currency. Updates to the Nominal Ledger are always in your base currency. For more information see *Chapter 6, Manage Foreign Currency Transactions*.

You can either process supplier payments individually or include several at a time in a batch before committing them to the supplier accounts. For more information see *Chapter 4, Record multiple items (batch processing)*.

Note: You can also use the Cash Book to make and record payments to your suppliers. For more information see the *Sage 200 Cash Book Documentation*.

The Purchase Ledger provides several facilities to handle your preferred method of generating supplier payments. Whether you prefer to use the ledger to process the payments from beginning to end or raise a payment manually yourself and use the ledger to record the transaction, the ledger can accommodate these activities.

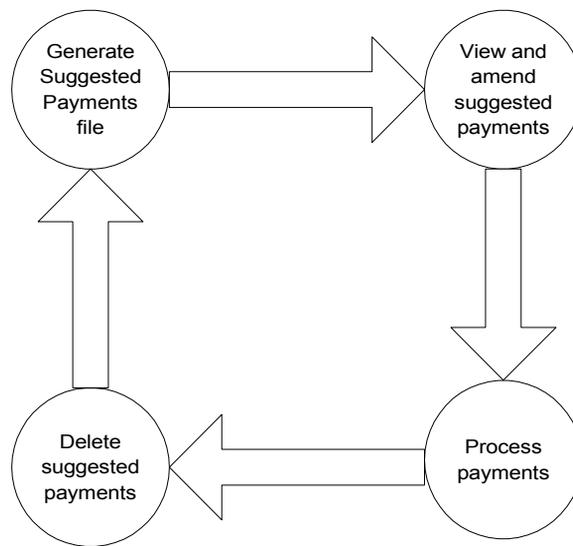
If you want to use the ledger to generate payments from start to finish, use the payment routines described in *Automatically Generate and Allocate Payments on page 115*.

If you have manually raised the payment and you now want to record and allocate the payment, use the facilities described in *Record and Allocate a Settled Payment on page 127*.

Automatically Generate and Allocate Payments

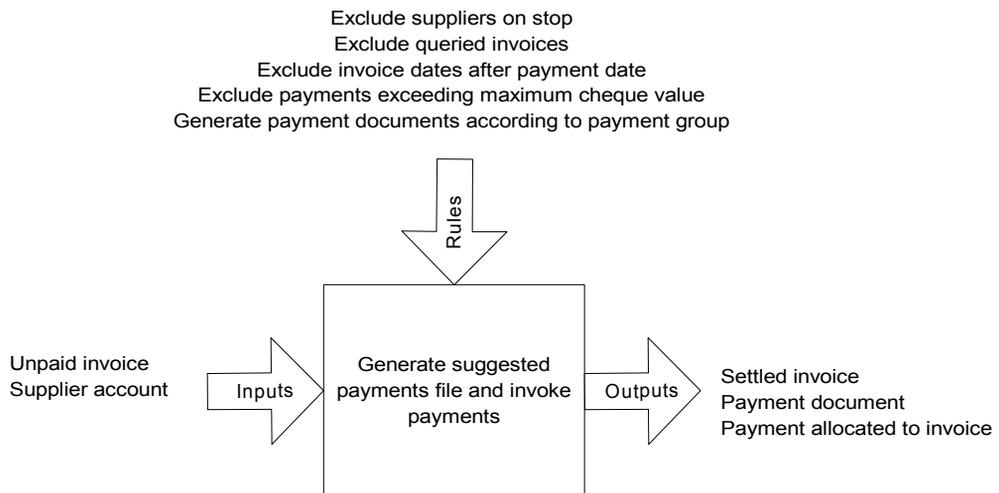
Use the 'Suggested Payments' routine to automatically generate supplier payments. The routine centres around the suggested payments file generated by the routine which lists the supplier invoices due for payment. From the suggested payments file you can generate reports to identify invoices suggested by the routine and then amend the payment values before preparing the final supplier payments.

Processing supplier payments is broken down into the tasks displayed in the image below. Each task is described in sequence starting with Generate Suggested Payment file.



Note: The suggested payments file should be deleted before you run the 'Period End' routine. If you have not deleted the file you are warned when you invoke the 'Period End' routine. However you should only delete the file once you are sure payment reprints are no longer required.

The following diagram provides an overview of the process assuming each activity is performed concurrently.



Generate suggested payments file

This task deals with prioritising purchase debt by selecting invoices for payment. The ledger prepares a suggested payments file based on the payment date, due date and if required settlement discounts associated with the outstanding invoices. The routine totals the value of each invoice on a supplier account and suggests a single payment.

When generating the suggested payments file, the ledger checks for an existing payments file. If a suggested payments file already exists you have the opportunity to use the existing file or replace it and create a new one.

Once the routine has generated the suggested payments file it prompts you to print the suggested payments report. If you choose 'No' the routine closes. To print the report at a more convenient time choose Period End Routines > Payment Processing > Report Suggested Payments and following the on-line instructions.

The routine checks to ensure the suggested payments are valid. Payments that require further investigation are labelled as such and detailed in an error log. The error log is generated with the suggested payment file if the routine finds the following:

- The account is on hold.
- The payment exceeds the maximum payment value.
- The payment currency is different to the bank account used for the payment.

Note: The routine excludes any invoice marked as queried from the suggested payment file.

The routine prompts you if an error log has been generated and you can then view the details on screen.

If you find a payment which has exceeded the maximum payment value, you can deal with it by either:

- Using the 'Amend Suggested Payments' routine to reduce the payment value. This is the preferred method.
- Amending the maximum payment value set for the ledger and then generate a new suggested payments file.

You can also identify payments which have exceeded the maximum payment value using the Maximum Payment report.

Up to this point the suggested payments file has not affected your supplier balances.

Before you begin ...

You must have:

- ✓ Posted all transactions.
- ✓ Allocated all cash items.
- ✓ Dealt with any queried transactions.

Access the window

Choose Period End Routines > Payment Processing > Generate Suggested Payments.

PL - Generate Suggested Supplier Payments

Warning

Please ensure that:

1. All pending transactions have been updated
2. All payments & credits have been properly allocated before running this routine.

Details

Remittance date: 23/02/2006

Pay invoices more than: 0 days overdue

Include all invoices with settlement discounts regardless of their age

OK Cancel

Enter the details

- Enter the payment date. This date is printed on the remittance advice and cheques as well as being used to determine which transactions are due for payment, by comparing the remittance date with the transaction due date.
- Specify further selection criteria which determines the basis on which the suggested payments file is generated:
 - Number of days overdue which an invoice must be to qualify for payment.
 - To include invoices with a settlement discount regardless of age.
- Click 'OK'.

Note: If a suggested payments file is already in use, the ledger displays an extra prompt asking you if you want to replace the existing file. If you do not want to replace the file at this point, you should print the payment reports in order to view the contents, then decide whether you want to continue to use the existing file or create a new one.

Once you have chosen to replace the existing file you are then notified that a new suggested payments file has been created. The routine also prompts you to confirm your intent to print the Suggested Payments report. Choose 'Yes' to print the report. Choose 'No' to close the routine. To print the report at a more convenient time choose Period End Routines > Payment Processing > Report Suggested Payments and following the on-line instructions.

View and amend suggested payments

Once you have generated the suggested payments file you are ready to check the invoices and payment values the routine is proposing. To do this the routine provides two reports for you, the Suggested Payments report and the Maximum Payment report. The payment values in the reports are displayed individually for each supplier in the supplier's operating currency and an overall grand total of payments due is displayed in your base currency.

To prepare your Suggested Payments report choose Period End Routines > Payment Processing > Report Suggested Payments and follow the on-line instructions.

To prepare your Maximum Payment report choose Period End Routines > Payment Processing > Maximum Payment Report and follow the on-line instructions.

After investigating the reports you can then make adjustments to the suggested payments file through the Amend Suggested Payments option, if necessary.

Amend the payment file

Use this routine to view payments for individual suppliers and make any necessary changes to the payment values held in the suggested payments file. For example, if they have exceeded the maximum payment value.

Those transactions due for payment are identified with a value in the payment box. You can now be more selective in terms of which payments you want to process. Invoice and credit note transactions are available for selection, but cash transactions or queried items are not made available for selection. To part pay an item, amend the item payment value or enter a discount value. You can also remove a transaction marked for payment by setting the payment amount to zero.

All payments on an account can be removed from the suggested payments by choosing 'Pay None'. This resets all payment values to zero.

Note: Discount can be applied to an invoice even though the original invoice did not have discount specified when entered onto the ledger. The ledger displays a prompt to inform you when this occurs. If you continue to enter the discount, the payment value and discount value must not exceed the outstanding value of the transaction.

Access the window

Choose Period End Routines > Payment Processing > Amend Suggested Payments.

Supplier details:

A/C ref: BGT001 Name: BGT Distribution Ltd

Short name: BGT Dist Address: 155 Curzon Court
Kidderminster
Worcestershire

Post code: DY10 5KK

Outstanding invoices

Trans Type	Trans Date	Due Date	Reference	Value	Discounted	Outst.	Payment	Discount
Invoice	30/09/2006	30/10/2006		189.22	186.80	189.22	0.00	0.00
							0.00	0.00

Buttons: Save, Pay All, Pay None, Pay Now, Close

To amend the payment file

- Select the supplier account that has the payments that you want to amend.
- To amend a payment value select the payment, double-click in the payment column and then enter the required value.
- To remove an account from the suggested payments file, click 'Pay None'.
- To generate a payment for the supplier, click 'Pay Now'. This starts the 'Generate Payments' routine. See *Process supplier payments on page 121*.

Note: If you choose to generate a payment using this method, the payment is marked as paid in the suggested payments file. This prevents a duplicate payment when the outstanding suggested payments are generated.

Prepare a single supplier payment

You can also use the 'Amend Suggested Payments' routine to generate a suggested payments file based on a single supplier and process the payment as required.

The same rules apply when generating several payments within the suggested payment file. If you have set a maximum payment value the payment must not exceed this value or the balance on the supplier's account.

- Clear the suggested payments file. See *Delete suggested payments on page 125*.
- Choose Period End Routines > Payment Processing > Amend Suggested Payments.
- Select the supplier you want to process payments for.
- Click 'Pay All'.
- Click 'Pay Now' to generate the actual payment. This opens the 'Generate Payments' window for the selected supplier.

Note: If you choose to generate a payment using this method, the payment is marked as paid in the suggested payments file. This prevents a duplicate payment when the outstanding suggested payments are generated.

Process supplier payments

From the suggested payments file you can pay all suppliers listed in the file or choose to pay a selected number of suppliers.

You can assign a reference to each payment so that you can trace it back if there is a query raised on the payment at a later date.

The payment group you have set for the Purchase Ledger is fundamental to this process. The routine processes the payments according to the specified payment group (cheque, and or remittance, electronic). It automatically updates the supplier's account on the Purchase Ledger, and updates the Nominal Ledger and Cash Book if you have set the update option to 'Yes' for the payment group. If the update is set to 'No' then the routine does not update any module, including the Purchase Ledger. It only produces a payment document. For more information see *Chapter 2, Set Up the Purchase Ledger*.

If you are using remittance advices the ledger provides a range of messages for you to apply to these documents as they are printed. See *Maintain remittance messages on page 137*. If you intend to use the payment group which includes both remittances and cheques, you have the option to split the process into two activities so that the ledger prints the remittances first and then prints the cheques when prompted. You can even print the remittances and abandon the cheque production using this method. If you do abandon the cheque printing, the ledger does not mark the entries as printed in the suggested payments file and continues to store the payments as pending production.

If you are using electronic banking the routine prepares the payments which are then transmitted to your bank in accordance with the electronic bank service you are using.

Before you begin ...

If you intend to use electronic banking you must have:

- ✓ The Sage e-Banking facility.
- ✓ Subscribed to an appropriate electronic banking service which is compatible with Sage e-Banking.
- ✓ Enabled the electronic bank setting within the Purchase Ledger. For more information see *Chapter 2, Set Up the Purchase Ledger*.
- ✓ Defined the required electronic payment group within the Purchase Ledger. For more information see *Chapter 2, Set Up the Purchase Ledger*.
- ✓ Enabled the electronic bank service setting with the Cash Book module. For more information see your *Sage 200 Cash Book Documentation*.

Access the window

Choose Period End Routines > Payment Processing > Generate Payments.

Note: Certain payment options are only displayed when relevant. They are payment groups and analysis codes. This depends on how you have set up the Purchase Ledger. If you elect to pay a single supplier the routine displays supplier details check boxes for you to select the supplier you want to make payment to. If you have chosen to summarise payments and have selected 'Pay multiple suppliers' then you can enter 'Batch reference' and 'Batch description' instead of 'Cheque number' and 'Supplier reference number'.

Enter the details

- Specify the payment option (single, multiple or reprint).
- If specifying a single supplier, display the supplier details.
- If you use more than one payment group, specify the group you intend to use.
- If the payment group requires two printing activities, specify if you want the activity to run concurrently or as separate activities by printing the remittances first then the cheques in a separate session.

If producing the documents concurrently the routine generates the remittance first and the cheque immediately follows at the foot of the remittance.

- Specify intent to produce payments for all analysis codes or a single code, if applicable.
- Accept or amend the remittance date.
- Accept or amend the allocation date.
- Enter the first payment reference (usually the cheque number, but will be the batch reference number if you are summarising payments and paying multiple suppliers).
- Enter the second payment reference (usually the supplier reference number, but will be the batch description if you are summarising payments and paying multiple suppliers).
- Select 'Allow cheque value to exceed account balance' if you want payment to proceed even although it will result in the supplier having a negative account balance.
- Click 'Messages' and apply the required messages to the remittances, if applicable.
- If you have selected to print the remittances and cheques separately you are prompted to continue after the remittances have printed.
- Click 'OK'.
- If applicable, repeat the activity for each payment group.

Outcomes

- The supplier's account balance is updated (decreased) by the value (including any discount taken) of the payment posted, if the payment setting is activated to update the ledger and transactions are allocated. For more information see *Electronic bank payments on page 14* and *Payment groups on page 33*.
- The bank account (for the balance sheet) within the Nominal Ledger and Cash Book if used, is credited with the value of the payment.
- The settlement discount taken account (for profit and loss) within the Nominal Ledger is credited with the value of the settlement discount, if included.
- The creditors control account (for the balance sheet) within the Nominal Ledger is debited with the value of the payment plus any settlement discount.

- The entries in the suggested payments file are marked as paid.

Reprint payments

You can reprint payments which have been processed provided the information remains in the suggested payments file. To do this choose Period End Routines > Payment Processing > Generate Payments and select the 'Reprint payments only' check box.

You must specify the cheque number again and this can be different from the cheque number used during the original cheque production. The routine reprints the cheques and overrides those cheque numbers stored in the Purchase Ledger and Cash Book but it does not override the details held in the Nominal Ledger.

Before you begin ...

You must have:

- ✓ Posted the Cash Book transactions to ensure the new cheque numbers are updated to the Cash Book.

Delete suggested payments

Use this routine to delete all payments waiting in the suggested payment file or to delete payments for an individual supplier.

The ledger only stores one suggested payments file at any one time. As you move from one month to the next you need to delete the file in order to regenerate suggested payments based on current purchase information. This routine should be invoked prior to running the 'Period End' routine but after you have generated your payments and if required, payment reprints.

You can also use this routine to cancel all transactions identified for payment in the suggested payments file before the payments are printed. For example, if an incorrect remittance date is specified during the 'Generate Payments' routine.

Access the window

Choose Period End Routines > Payment Processing > Delete Suggested Payments.

The screenshot shows a window titled "PL - Delete Suggested Supplier Payments". It features a "Account selection" section with two radio buttons: "Delete all suggested supplier payments" (selected) and "Delete suggested payments for single supplier". Below this is a "Supplier details" section with three drop-down menus for "A/C ref:", "Short name:", and "Post code:", and two text input fields for "Name:" and "Address:". At the bottom, there are "Delete" and "Close" buttons.

Enter the details

- Select the option required; 'Delete all suggested supplier payments' or 'Delete suggested payments for a single supplier'.
- If you are deleting payments for a single supplier, select the display the supplier's account from the 'A/C ref' or 'Short name' drop-down list.
- Click 'Delete'.

A confirmation message appears.

- Click 'Yes' to delete the supplier payments.

Record and Allocate a Settled Payment

If you have made payments to your suppliers without using the 'Payment Processing' routines then you need to record the payments on the ledger to ensure your purchase records are complete. This activity covers both recording the payments made and the allocation of payments to a specific entry on the supplier's account, where possible. If it is not possible to match the payment to a specific entry then the payment is assigned to the supplier's account and classed as payment on account.

Where you have several payments to record, rather than entering each one separately, you can process them altogether using the 'Batched Transactions' routine. For more information see *Chapter 4, Record multiple items (batch processing)*.

Note: This method does allow you to record the payment even if the supplier's account is on hold.

Record the purchase settlement

Use this routine to record payments you have made to your suppliers that have not been generated using the 'Payment Processing' routines. The payments are applied to supplier accounts in accordance with the account type. For more information see *Chapter 3, Account types*.

Note: You cannot use the Allocation routine for balance forward accounts.

Access the window

Choose Enter Transactions > Payment.

Enter the details

- Select the bank account or nominal account you want to use (this depends on the module you are using to control your bank payments).

Note: If the cheque currency is different from the bank currency you also need to enter exchange rate and bank charge details for the payment. Bank charges are in the same currency as the bank currency.

- Select the supplier account that you want to apply a payment record to.
- Enter the transactions details.
- Enter the payment details (cheque value and settlement discount taken).
- Click 'Save' to save the payment without allocating.
- Click 'Save and Allocate' to save the payment and allocate to the outstanding transaction.
- Enter the allocation details, if appropriate. See *Allocate payment to original transaction on page 129*.

Note: If you enter a payment for a supplier account and the ledger finds there are no entries pending payment, the ledger displays a warning but you are able to continue and record the payment.

Outcomes

- The supplier's account balance is updated (decreased) by the value (including any discount taken) of the payment or payments posted.
- The bank account (for the balance sheet within the Nominal Ledger and within the Cash Book, if used) is credited with the value of the payment.
- The settlement discount taken account (for profit and loss) within the Nominal Ledger is credited with the value of the settlement discount, if included.
- The purchase control account (for the balance sheet) within the Nominal Ledger is debited with the value of the payment plus any settlement discount.

Allocate payment to original transaction

This activity ties the payment to the original transaction to give you complete traceability for a purchase transaction.

You can allocate several entries at any one time for a particular supplier using this method. You can do this manually yourself or invoke the ledger to allocate the payments automatically for you, which it does by allocating the payment to the oldest entry on the supplier's account.

If you decide to allocate the payments manually, the ledger displays all qualifying entries in ascending order by transaction date.

You can allocate one payment to one transaction or even several payments to one transaction and the transactions can be allocated in full or in part.

The ledger calculates the amount to allocate based on the entry you select; you can accept or amend this value. However, you can only allocate up to the value of the associated payment.

You can write off allocation discrepancies as discount and the ledger generates an additional entry for this to the Nominal Ledger that represents the discount.

A query flag can be assigned to a transaction using the Allocation routine. You can also remove a query flag from a transactions provided the query flag is not 'U' for unauthorised, 'W' for bad debt write off or 'F' for finance charge invoice.

You can also use the 'Allocation' routine to record a supplier payment.

It may be possible to amend allocations once they have been made. See *Amend allocations on page 134*.

Note: You cannot use the 'Allocation' routine on balance forward accounts or invoices marked as queried.

Access the window

Choose Enter Transactions > Allocation.

Supplier details:

A/C ref: BGT001 Account balance: £ 107116.53
 Short name: BGT Dist Credit limit: £ 20000.00
 Post code: DY10 5KK

Allocation details:

Allocation date: 15/07/2006
 Auto Allocate

Credits

Typ	Trans Date	Due Date	Reference	2nd Ref.	Value	Outstanding	Discount	Disc. Due	Allocate	Qu.	Stab
No items to display											
Totals											

Debits

Typ	Trans Date	Due Date	Reference	2nd Ref.	Value	Outstanding	Discount	Disc. Due	Allocate	Qu.	Stab
In...	18/04/2006	30/05/2006	0000000190	456	106927.31	106927.31	0.00	18/04/2006	0.00	R	
In...	30/09/2006	30/10/2006			189.22	189.22	2.42	10/10/2006	0.00		
Totals											0.00

Difference: 0.00

Save Allocate Reverse Payment Close

Enter the details

- Select the supplier account you want to process payment allocations within.

The window is split into two sections. The top section of the window shows the credit (receipts) entries for the account and the bottom section of the window displays the debit entries (invoices) for the account.

All transactions are displayed in ascending order by transaction date. You can sort the entries by selecting a column and then change the view from ascending to descending order or vice versa.

The following information is displayed for transactions which have not been allocated or part allocated for both debits and credits.

Transaction type, transaction date, period number, reference, second reference, (gross) value, outstanding (value), discount (amount), discount due (date), allocated (amount), query (flag), payment status (displays full for fully allocated and part for part allocated).

Automatic Allocation

- Choose automatic allocation if you want Sage 200 to automatically allocate your transactions.

The system adds the total payment entries (credit items) first and allocates the invoice entries (debit entries) in date order (oldest first) until the debit values match the credit values.

If the total payment entries (credits) is less than the total outstanding invoices (debits) the system fully allocates all of the payment values and then allocates the invoice entries using the default allocation values, until the debit value to allocate matches the credit value to allocate. Any values remaining are part allocated.

If the total payment (credits) is greater than the total outstanding invoice values, the system allocates credit entries until the credit value to allocate is equal to the total outstanding invoice value. All outstanding invoices are then fully allocated.

Note: If you attempt to save the allocation entry without the difference value at zero the ledger displays a warning.

Manual Allocation

- If you want to allocate the transaction yourself, then select the entries not marked as queried from the list of credits and debits, click 'Allocate' and confirm the amount to allocate.

You can choose to override the default value and enter in a lesser amount, then the transactions become part paid.

Note: If you are only allocating one credit item (receipt) the reference of that item is recorded as the second reference of the debit item (invoice) if the second reference of the invoice is blank.

- If you are allocating several entries, and the difference value is zero, accept the allocation.

Note: If you attempt to save the allocation entry without the difference value at zero the ledger displays a warning.

- If the difference value is not zero you can:
 - Allocate more items.
 - Amend existing items.
 - Write off the amount as discount. This results in a posting to the discount nominal account and bank nominal account as well as updating the allocation entry.

Reverse allocations

- To reverse allocations before they have been saved, click 'Reverse'.

The system asks you if you want to reverse invoices (debit items) only. Replying 'Yes' to this means that all receipt (credit) entries made remain with their allocation status, and only the invoice allocation values are reset. Replying 'No' resets both invoice (debit) and receipt (credit) values.

Record a purchase payment

You can record a purchase payment using the Allocation routine provided the entry you choose is not marked as queried, this does not include those marked 'F' (finance charge invoice). Also the supplier and bank account you choose to record the payment must operate in the same currency.

You can only enter a payment for one entry at a time and the payment is allocated when you complete the activity. The activity only records the payment, it does not generate a payment to be despatched to a supplier.

- To record a purchase payment, select the debit entry and click 'Payment'. The supplier transaction entry window appears.
- Select the bank account to be used, this must operate in the same currency as the supplier account record.
- Enter the transaction details including the payment value.
- Click 'Save'.

Outcomes

The balance of an account or the Nominal Ledger is not affected by any accounting done when allocating existing transactions. An existing transaction is one where the payment has already been posted to the supplier but has not been allocated. This of course is provided no extra payments have been made or small amounts written off as discount.

However, matched transactions are removed by the 'Period End' routine (provided they are older than the value you set in the keep transactions for box during the Purchase Ledger setup process). For more information see *Keep transactions for on page 20* and *Archive transactions after this period on page 21*. This frees disk space and tidies up the supplier account record, ready for new transactions.

If you are posting a new payment to the Purchase Ledger, then:

- The supplier's account balance is updated (decreased) by the value of the payment or payments posted (including discount if appropriate).
- The bank account (for the balance sheet) within the Nominal Ledger and within the Cash Book, if used, is debited with the value of the payment.
- The discount allowed account (for profit and loss) within the Nominal Ledger is debited with the value of the settlement discount, if included.
- The purchase control account (for balance sheet) within the Nominal Ledger is credited with the value of the payment plus any discount.

Amend allocations

Use the 'Amend Allocation' routine to revise allocation details that have previously been processed. You can use the routine to do this provided the supplier account is an open item account and the allocation is not linked to an entry marked queried.

You can even use the routine if the supplier account is on hold. The system displays a warning but you can continue to amend the allocation.

Access the window

Choose Adjust Transactions > Amend Allocations.

Supplier details

A/C ref: ATL001
 Short name: Atlas
 Post code: NN16 3JU

Account balance: £ 639.42
 Credit limit: £ 20000.00

Transactions

Trans. Type	Trans. Date	Reference	Value	Allocated	Status
Payment	15/07/2006	Sett Disc	-1759.88	-1759.88	Full
Invoice	14/07/2006		1759.88	1759.88	Full
Payment	27/07/2006	MTH 7	-6321.50	-6321.50	Full
Payment	23/06/2006	MTH 6	-7367.25	-7367.25	Full
Payment	25/05/2006	MTH 5	-1723.73	-1723.73	Full
Invoice	18/04/2006	0000000183	6321.50	6321.50	Full
Payment	05/04/2006	0000000780	-5993.68	-5993.68	Full
Invoice	27/03/2006	0000000178	7367.25	7367.25	Full

Allocation sessions

Alloc. Type	Date	User	Status
Manual Payment	15/07/2006	STEPHEN	

Edit Close

Enter the details

- Select the supplier account that you want to reverse an allocation within.
- Select the allocation details that you want to amend.

- Click 'Edit'.

The 'Supplier Allocations' screen appears.

Supplier details:

A/C ref: ATL001 Account balance: £ 639.42
 Short name: Atlas Credit limit: £ 20000.00
 Post code: NN16 3JU

Allocation details:

Allocation date: 15/07/2006
 Auto Allocate

Credits

Typ	Trans Date	Due Date	Reference	2nd Ref.	Value	Outstanding	Discount	Disc. Due	Allocate	Qt	Stab
P...	15/07/2006	15/07/2006	Sett Disc		1759.88	1759.88	1759.88	15/07/2006	1759.88		
Totals									1759.88		

Debits

Typ	Trans Date	Due Date	Reference	2nd Ref.	Value	Outstanding	Discount	Disc. Due	Allocate	Qt	Stab
In...	14/07/2006	30/08/2006	Sett Disc		1759.88	1759.88	15.00	29/07/2006	1759.88		
Totals									1759.88		

Difference: 0.00

Save Allocate Reverse Close

- Amend the displayed allocation details.
- Click 'Save'.

Outcomes

- The original allocations are removed from the ledger.
- The associated entries are updated.
- Any revised allocations are saved retaining the date applied to the original allocation.

Deal with returns

You can reverse a cheque payment which has been returned as void by the bank or record a payment from a supplier if you have overpaid in the past.

Access the window

Choose Enter Transactions > Receipt.

The screenshot shows the 'PL - Enter Supplier Receipt' window. It contains the following fields and sections:

- Bank account details:** Bank account: 1, Main Bank Account, 10-23-17, 00894234
- Supplier details:** A/C ref, Short name, Post code, Account balance, Credit limit
- Transaction details:** Date, Reference, Second Ref
- Receipt details:** Cheque currency, Settlement discount, Cheque value

Buttons at the bottom: Save, Clear, Save and Allocate, Close

Enter the details

- Select the bank account or nominal account you want to use (this depends on the module you are using to control your bank payments).

Note: If the cheque currency is different from the bank currency you also need to enter exchange rate and bank charge details for the receipt. Bank charges are in the same currency as the bank currency.

- Select the supplier account.
- Enter the transaction details, amending any details if appropriate.

- Enter the receipt details.
 - Enter the cheque value.
 - If settlement discount was recorded on the original payment and you are processing this transaction because the payment has been returned as void by the bank, you must record the same settlement discount amount. This ensures the transaction matches the processing of the original transaction.
- Click 'Save' to save the receipt without allocating.
- Click 'Save and Allocate' to save and allocate the receipt to the outstanding transaction.
- Enter the allocation details, if appropriate. See *Allocate payment to original transaction on page 129*.

Outcomes

- The supplier's account balance is updated (increased) by the value of the receipt (including discounts if appropriate).
- The bank account (for the balance sheet) within the Nominal Ledger and within the Cash Book, if used, is credited with the value of the receipt.
- The discount given account (for profit and loss) within the Nominal Ledger is credited with the value of the settlement discount, if included.
- The purchase control account (for balance sheet) within the Nominal Ledger is debited with the value of the receipt plus any discount.

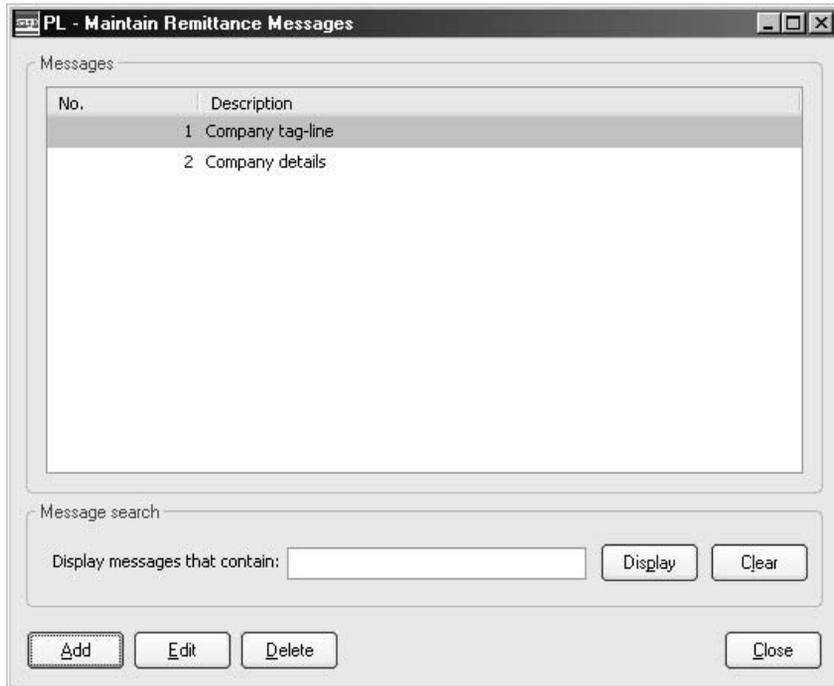
Maintain remittance messages

Use this routine to maintain text messages that can then be used as notations printed on remittances when generating payments. For more information see *Process supplier payments on page 121*.

You can store up to 99 messages with each message providing four lines of text. The messages are created, amended and deleted within the Purchase Ledger. Once you have created your messages you can search for messages containing specific text.

Access the window

To maintain your remittance messages choose Utilities > Ledger Set Up > Remittance Messages.



Enter the details

- Click 'Add' if you want to create a new message, or select an existing message from the drop-down list of messages if you want to amend a message and then click 'Edit'.

It is also possible to do a search on a specific piece of text that appears in a remittance. To do this enter the text in the 'Message Search' area and click 'Display'. The window updates with only those remittances that have the text that you have searched for.

To delete a message, select it from the list and click 'Delete'.

PL - Enter New Remittance Message

Message details

Number: 3

Description:

Message lines

Line1:

Line2:

Line3:

Line4:

OK Cancel

- Enter or amend the message text.
- Click 'OK' to record the changes to the remittance message.

Offset Purchase Debt

If you are dealing with a supplier who is also your customer you can offset your purchase debt provided both accounts operate in the same currency. This is commonly referred to as a contra adjustment.

The routine displays qualifying entries on both the customer account and supplier account. Selecting entries to offset against each other can be done individually or you can select several by specifying a date. When the entries are selected, the routine calculates and displays the total amount as a positive or negative value.

A contra adjustment affects the balances on trader accounts in the Sales Ledger, Purchase Ledger and the appropriate nominal accounts within the Nominal Ledger.

Note: This routine does not apply cost centre breakdown.

Access the window

Choose Enter Transactions > Contra Entry.

PL - Contra Entries

Posting details

Nominal ledger bank account:

Transaction date to use:

Customer Account Selection

Acc no:

Short name:

Postcode:

Type	Date	Reference	2nd Ref.	Outstanding
<input type="checkbox"/> Invoice	17/09/2006	0000000207	0000000240	352.50
<input type="checkbox"/> Invoice	23/09/2006	0000000196	0000000240	5390.08
Total selected:				

Supplier Account Selection

Acc no:

Short name:

Postcode:

Type	Date	Reference	2nd Ref.	Outstanding
<input type="checkbox"/> Invoice	30/09/2006			189.22
Total selected:				

Difference:

Selection criteria

Automatically select transactions up to this date:

Enter the details

- Accept the displayed nominal ledger bank account to be used for the adjustment or select the relevant nominal account from the drop-down list.
- Enter the transaction date to be used.
- Select the customer account.
- Select the supplier account.
- Select individual entries by clicking in the column to the left of the type column or enter a date to select a range of entries.

Outcomes

- Sales Ledger, Purchase Ledger and Nominal Ledger receipt and payment transactions are generated to represent the debt reduction for both the customer and supplier accounts.
- Purchase Ledger balances and total balance held for the supplier are adjusted.
- Sales Ledger balance and the customer total balance are adjusted.
- Payments and receipts are allocated to the invoices automatically and entries are made to the allocation file.

Control Purchase Budget

Controlling your purchase budget raises a number of questions, such as, what discounts are available and to whom do I owe money? This section explains the reports you need to use to answer these questions. It is worth noting the following reports include transactions marked as queried.

Access the window

To prepare your report choose Reports > Payments Control, then select the report that you want to produce and follow the on-line instructions.

Aged Creditors report

Use the Aged Creditors report to determine all outstanding balances on each supplier account and the age of each debt relative to the ageing periods you specified during the ledger setup process. For more information see *Chapter 2, Set Up the Purchase Ledger*. You can also use this report to determine when your supplier invoices are due for payment.

You also have the option to generate the report in a detailed or summarised version. Both versions provide information relating to the supplier contact details and the basis on which they operate.

You can also prepare a Retrospective Aged Creditors report. This provides you with the additional flexibility of analysing your purchase debt across any ledger period that is earlier than the current period set on the Nominal Ledger. Invoices paid after the specific ageing date are shown as not paid and payments allocated after the specific ageing date are shown as not allocated within the report.

Note: Before preparing your Aged Creditors report you must run the 'Foreign Account Revaluation' routine if you are working with foreign currency suppliers. For more information see *Chapter 6, Manage Foreign Currency Transactions*.

Due Date report

Use the Due Date report to review outstanding balances on each account, aged using the due date held for each transaction.

The detailed version provides an outstanding balance on each account together with the transactions which make up the balance. The summarised version only provides the balance on each account.

Valid Discounts report

This report helps you decide when to take advantage of settlement discounts. Based on the payment date you specify, the ledger identifies and reports on all qualifying entries.

Note: The suggested payments file also incorporates transactions which attract supplier discounts. See *Generate suggested payments file on page 116*.

Prepare supplier labels

You can produce mailing labels to use when you issue statements and letters to your suppliers.

To prepare labels, choose Reports > Account Analysis > Mailing Labels, and follow the on-line instructions.

6

Manage Foreign Currency Transactions

This chapter builds on chapters 4 and 5 previous sections, which describe the management of transactions in your base currency. The aim of this chapter is to explain the additional considerations and routines required when dealing with foreign currency transactions.

This chapter does not cover EC implications or Triangulation. For more information see your *Sage 200 Accounting System Manager* Documentation.

Note: Examples within this chapter refer to the Aged Creditors report and are not retrospective.

Activities:

Record invoices and credit notes

Record payments and receipts

Manage exchange rate changes

Before you begin ...

You must have:

- ✓ Set the currency descriptions and exchange rates for foreign currency accounts. For more information see your *Sage 200 Accounting System Manager* Documentation.
- ✓ Created your supplier account records for suppliers who operate in foreign currency. For more information see *Chapter 3, Create a Supplier Account Record*.

Note: You must have suitable security privileges to perform these activities. See your system administrator for more information.

Remember ...

Use your help system for further definition of the Sage 200 windows.

For more information on using the help system, see the *Sage Operations* Documentation.

Overview

The Purchase Ledger operates in both base and foreign currencies. Sage 200 can hold up to 100 currencies. One currency is your base currency and the remaining 99 can be used for the foreign currencies in which your suppliers and customers operate.

Foreign currency transactions are handled in much the same way as you would handle your base currency transactions. There are two main differences.

First, the ledger uses the transaction exchange rate to calculate the value of your foreign currency transaction in your base currency. This exchange rate is taken from the exchange rate table (located in the Settings > Exchange Rate option within the Accounting System Manager module). For more information regarding the exchange rate table see the *Sage 200 Accounting System Manager* Documentation. Second, the transactions are subject to constant exchange rate fluctuations which affect the transaction value stored on the ledger.

Postings which result from foreign supplier transactions are made to the Nominal Ledger in your base currency.

To manage the effect exchange rate changes have on these transactions, the ledger applies additional processing to them. This additional processing is handled by the 'Foreign Account Revaluation' option. This tidies up the loss or gains that result as exchange rates fluctuate between the time of entering the goods value onto the ledger and the time you come to pay your supplier.

The revalued base currency figures are used in preparing various reports in your Purchase Ledger including your Aged Creditors and Due Date reports. For more information see *Chapter 5, Control Purchase Budget*.

The ledger performs the revaluation in accordance with the settings in the 'Revalue Foreign Supplier Accounts' option and Accounting System Manager's system settings.

As with your base currency transactions the same rules apply to foreign currency transactions regarding the limit on payment values and accounts marked 'on hold'. You also have the same flexibility enabling you to process foreign currency transactions either as single items or with several other items in a batch.

Further examples may help increase your understanding of how revaluation works.

Note: You cannot use the 'Reverse Transaction' routine when dealing with foreign currency transactions. If an error has been made, post an opposite entry. For example, a credit note reverses an invoice and a receipt reverses a payment. However you must take into consideration the exchange rate and any revaluation performed on the original transaction.

Record Foreign Supplier Invoices and Credit Notes

Foreign Invoices and Credit Notes

Recording a foreign currency invoice or credit note on the Purchase Ledger is straightforward. It follows the same process as for base currency with the additional element of applying an appropriate exchange rate value to the transaction.

You always enter the goods value in the supplier's currency and accept or change the default exchange rate the routine offers you. The routine then uses the exchange rate to calculate the value of the transaction in your base rate currency. The ledger stores the value of the transaction in the supplier's currency. This is visible in screen enquiries. The ledger also stores the current base currency equivalent, known as the control value; although the control value is not visible on screen in the Purchase Ledger, it is used on reports, for example, the Aged Creditors report and the Foreign Account Revaluation report.

If an invoice is selected for authorisation, the ledger uses the exchange rate at the time the invoice was entered onto the ledger and not the exchange rate when the invoice is eventually authorised.

This activity covers both invoice and credit notes received from your suppliers, although the example shown is for an invoice.

Access the window

Choose Enter Transactions > Invoice.

PL - Enter Purchase Invoice for Supplier Euro Currency

A/C ref: SUPP3 Account balance: € 0.00 Invoice details: Invoice date: 29/09/2006
 Short name: S3 Credit limit: € 30000.00 Due date: 29/10/2006
 Post code: SU3 35U Available credit: € 30000.00 Reference:
 Exchange rate: 1.479290 Second ref:

Transaction details
 Goods value: € 0.00 Discount days: 14 Tax value: € 0.00
 Discount percent: 0.25 % Discount value: € 0.00 Invoice total: € 0.00
 Requires authorisation

Project Analysis | **Nominal & Tax Analysis**

Tax analysis

Code	Name	Rate	Goods Value	Discount Value	Tax Value
8	EC Standard Purchase	17.50	0.00	0.00	0.00
Totals			0.00	0.00	0.00

Nominal analysis

A/C No.	CC	D...	Name	Goods Value	Type	Narrative	Transaction Analysis
44100	SAL	ADM	Materials - Purch...	0.00	Posting	PI / SUPP3	
Totals				0.00		Amount left:	0.00

Save Clear Save and Retain A/C ref Close

Enter the details

- Select the supplier account you want to add an invoice to.

- Accept or amend the exchange rate value.

To change the displayed exchange rate, select the 'Exchange rate' button. The following window is displayed.

Note: If you do not amend the exchange rate then the displayed exchange rate is used for the transaction.

- Enter the invoice details and amend default values, as required.
- Enter the transaction details, goods value in account currency and discount.
- Accept or amend the tax (VAT) analysis for each item, if required.
- Accept or amend the nominal analysis requirements for each item on the purchase invoice. Both positive and negative values can be entered in the goods value for nominal analysis.

Change the narrative description within the nominal analysis to make the transaction more meaningful within future reports.

Note: You can only amend the nominal analysis requirements if the invoice is not flagged for authorisation. If you have set the Purchase Ledger to hold transactions for authorisation then the invoice is applied to the supplier's account with a 'U' in the query flag column. For more information see *Chapter 4, Authorise Transactions*.

Outcomes

The routine produces the following outcomes for both invoice and credit note entry.

Invoice	Credit note
<ul style="list-style-type: none">● The supplier's account balance is increased by the gross value of the invoice (including VAT if appropriate).● The account's turnover for this month (or for the next month if a future period's date is entered) is increased by the net amount (goods value) of the invoice.● The purchase account(s) (profit and loss) within the Nominal Ledger are debited with the goods value according to the analysis.● The tax input account for VAT account (for the balance sheet) within the Nominal Ledger is debited with the value of the VAT, if included.● The creditors control nominal account (for the balance sheet) within the Nominal Ledger is credited with the gross value of the invoice.● The VAT file is updated with the goods and VAT value for each VAT rate used. The entry is made for the current period unless the posting is for a future period when the appropriate month is used. This ensures that transactions entered late after the period has been closed are included in the next VAT Return.	<ul style="list-style-type: none">● The supplier's account balance is reduced by the gross value of the credit note (including VAT if appropriate).● The account's turnover for this month (or for the next month if a future period's date is entered) is decreased by the net amount (goods value) of the credit note.● The purchase account(s) (profit and loss) within the Nominal Ledger are credited with the goods value according to the analysis.● The tax input VAT account (for the balance sheet) within the Nominal Ledger is credited with the value of the VAT, if included.● The creditors control nominal account (for the balance sheet) within the Nominal Ledger is debited with the gross value of the credit note.● The VAT file is updated with the goods and VAT value for each VAT rate used. The entry is made for the current period unless the posting is for a future period when the appropriate month is used. This ensures that transactions entered late after the period has been closed are included in the next VAT Return.

Foreign Supplier Payments and Receipts

The same payment routine and receipt routine used to record base currency cash transactions associated with your supplier's are used to record those for foreign currency. The differences when dealing with a foreign currency transaction are:

- Applying an exchange rate.
- Entering an exchange loss or gain on the transaction, only if you are not using Foreign Account Revaluation.
- Entering bank charges, if applicable. (Bank charges are in the same currency as the bank account.)

You can access both the supplier payment routine and receipt routine in the Cash Book as well as the Purchase Ledger.

By using the integrated Cash Book bank accounts to record bank transactions you have greater flexibility when recording foreign currency transactions. You can have any mix of currencies when recording the transaction, this means the currencies specified for the transaction, supplier account and bank account can all differ. If you are using a nominal bank account to record your bank transactions then you can only record transactions in the currency set on the supplier's account.

If you are using the Cash Book module and operate a bank account in the same currency as the payment you intend to make, for example, trading with a supplier in the USA and you also have a US Dollar bank account you can use the automated payment routine. For more information see *Chapter 5, Automatically Generate and Allocate Payments*.

This activity covers both payments made to your suppliers and any receipts received, although the example shown is for payments.

Access the window

Choose Enter Transactions > Payment.

PL - Enter Supplier Payment for Orlando Handles (USA) plc

Bank account details
 Bank account: 1 Main Bank Account 10-23-17 00894234

Supplier details
 A/C ref: ORL001 Account balance: USD 0.00
 Short name: Orlando Credit limit: USD 20000.00
 Post code: 32809 Available credit: USD 20000.00

Transaction details
 Date: 15/07/2006
 Reference:
 Second Ref:

Payment details
 Cheque currency: US Dollar Cheque value: USD 0.00
 Settlement discount: USD 0.00

Exchange details
 Exchange rate: 1.758000

Bank charges

A/C Ref.	CC	Dept	Name	Value	Narrative
63200	ADM	ADM	Bank Charges	0.00	Bank Charges

Bank cheque value
 Net bank cheque value after charges: £ 0.00

Save Clear Save and Allocate Close

Enter the details

- Select the Cash Book bank account or nominal bank account you intend to use (this depends on which module you are using to control your bank payments).
- Select the supplier account you want to apply a payment to.
- Enter the transaction's details.
- Enter payment details normally in the supplier's currency (currency used, cheque value and settlement discount).
- Enter the exchange rate details.
 - Accept or amend the exchange rate value.

When you select the exchange rate button to amend the exchange rate value, the ledger displays the following window.

Amend Exchange Rate

Conversion from US Dollar to Pounds Sterling

Rate from Pounds Sterling to US Dollar: £ 1 equals USD 1.758000

Value to convert from: USD 350.00

Converted value: £ 199.09

OK Cancel

Note: If you do not amend the exchange rate then the displayed exchange rate is used for the transaction.

- Enter the bank charges, and other charges if applicable. (Bank charges are in the same currency as the bank account.) You also need to accept or amend the nominal analysis code displayed and apply a narrative if required.
- Click 'Save' to save the payment without allocating.
- Click 'Save and Allocate' to save and allocate the payment to the outstanding transactions.
- Enter the allocation details, if appropriate. For more information see *Chapter 5, Record and Allocate a Settled Payment*.

Outcomes

The routine produces the following outcomes for both payment and receipt entry.

Payment	Receipt
<ul style="list-style-type: none">● The supplier's account balance is updated (decreased) by the value (including any discount taken) of the payment or payments posted.	<ul style="list-style-type: none">● The supplier's account balance is updated (increased) by the value of the receipt (including discounts if appropriate).
<ul style="list-style-type: none">● The bank account (for the balance sheet within the Nominal Ledger and within the Cash Book, if used) is credited with the value of the payment.	<ul style="list-style-type: none">● The bank account (for the balance sheet within the Nominal Ledger and within the Cash Book, if used) is debited with the value of the receipt.
<ul style="list-style-type: none">● The bank account (for profit and loss) is updated with the value of any charges, if applicable.	<ul style="list-style-type: none">● The bank account (for profit and loss) is updated with the value of any charges, if applicable.
<ul style="list-style-type: none">● The settlement discount taken account (for profit and loss) within the Nominal Ledger is credited with the value of the settlement discount, if included.	<ul style="list-style-type: none">● The discount given account (for profit and loss) within the Nominal Ledger is debited with the value of the settlement discount, if included.
<ul style="list-style-type: none">● The creditors control account (for the balance sheet) within the Nominal Ledger is debited with the value of the payment plus any settlement discount.	<ul style="list-style-type: none">● The creditors control account (for balance sheet) within the Nominal Ledger is credited with the value of the receipt plus any discount.
<ul style="list-style-type: none">● Any currency adjustments are posted, if applicable.	<ul style="list-style-type: none">● Any currency adjustments are posted, if applicable.

Manage Exchange Rate Changes

From the time you enter an invoice onto the Purchase Ledger to the time you settle the debt, fluctuations in the exchange rate are likely to have occurred. This section explains the effect exchange rate changes have on your transactions and how the ledger deals with the variations for you.

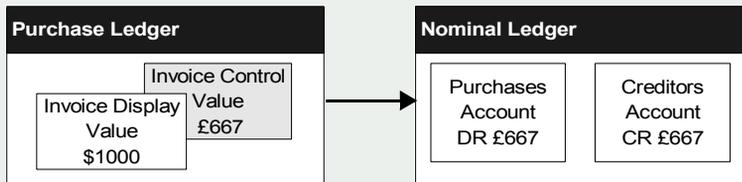
The effect of exchange rate changes when allocating transactions

Take the following simple example.

Simple Example

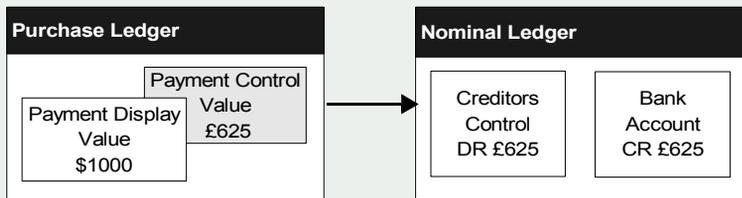
- Your supplier operates in dollars, your base currency is sterling, and you have set the ledger to revalue all foreign currency transactions.

Step 1 First you enter an invoice of \$1000 with an exchange rate of £1 = \$1.5.



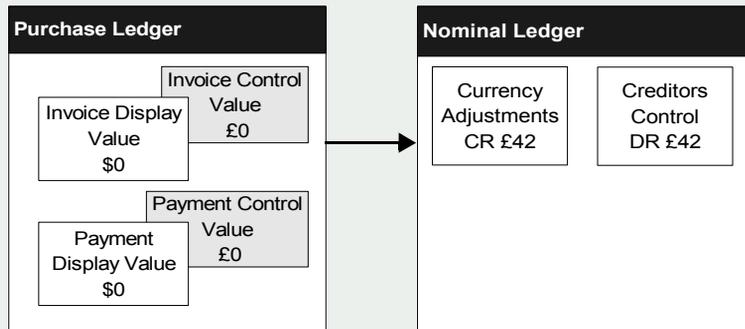
The invoice control value is £667 (which is the base currency value) and postings to purchases account and creditors account are both £667 (remember the control value is not visible in the Purchase Ledger, only on reports).

Step 2 When you come to enter the payment of \$1000 there has been an exchange rate change where £1 = \$1.6.



Postings to the creditors control and bank accounts are both £625.

Step 3 The transactions are allocated and the Revalue Foreign Account Transactions is enabled.



You have paid your supplier the amount owing on the invoice but in real terms the sterling value is less than the sterling value recorded for the invoice. By running the Foreign Account Revaluation routine and choosing to produce accounting adjustments, the profit or loss on exchange is posted to the currency adjustments account within the Nominal Ledger.

Revaluing Outstanding Transactions

To make sure that the value of outstanding transactions on your foreign currency supplier accounts reflect the latest exchange rate for the currency, you can use the Period End Routines > Foreign Account Revaluation. This will revalue the outstanding amount using the exchange rate as set up in the Accounting System Manager module.

Each currency can be set to use:

- A single exchange rate

The 'Foreign Account Revaluation' routine will use this single exchange rate to revalue the transactions.

- Period exchange rates

The 'Foreign Account Revaluation' routine will compare the date entered to the end date for the period exchange rates set up, and use the relevant rate to revalue the transactions.

- Both single and period exchange rates

Each customer that uses this currency will be set to use either the single exchange rate or the period rates. As the 'Foreign Account Revaluation' process comes to revalue the transactions for each supplier, it will use either the single or period exchange rate, depending on the supplier setting.

During the revaluation process, the system uses the following details held on each transaction:

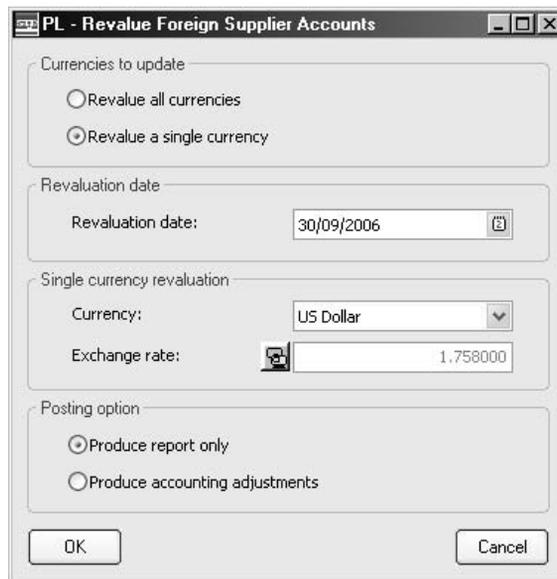
- The original exchange rate on the transaction.
- The current outstanding value on the transaction.

Revaluation is carried out for an individual transaction if:

- The transaction is dated on or before the date entered when the routine is invoked.
- The transaction has not been flagged as currently having a query assigned to it.

Access the window

Choose Period End Routines > Foreign Account Revaluation.



The screenshot shows a dialog box titled "PL - Revalue Foreign Supplier Accounts". It contains the following fields and options:

- Currencies to update:** Two radio buttons: "Revalue all currencies" (unselected) and "Revalue a single currency" (selected).
- Revaluation date:** A text field containing "30/09/2006" with a calendar icon to its right.
- Single currency revaluation:** A "Currency:" dropdown menu set to "US Dollar" and an "Exchange rate:" text field containing "1.758000" with a calculator icon to its left.
- Posting option:** Two radio buttons: "Produce report only" (selected) and "Produce accounting adjustments" (unselected).

At the bottom of the dialog are "OK" and "Cancel" buttons.

Enter the details

- Specify whether you want to revalue all currencies or a single currency.

The information that can be edited from the 'Revalue Foreign Supplier Accounts' window depends on the 'Currencies to update' option that is selected in that window, and the way that the currency has been set up in your Accounting System Manager module:

- If you select to 'Revalue a single currency' and the currency has a rate type of 'Single' set in the Accounting System Manager, you can edit the exchange rate, if necessary.
- If the currency you select has been with a 'Rate Type' of 'Period' in the Accounting System Manager, the 'Exchange Rate' box shows the period exchange rate that has been set for the date selected in the 'Revaluation Date' box. You cannot change the exchange rate.
- If the currency you select has been set as both a 'Single and Period' currency within the Accounting System Manager, the Exchange Rate box shows a single exchange rate as well as the period exchange rate for the selected Revaluation Date. You can change the exchange rate information if necessary.
- Select a revaluation date. This is the date from which the revaluation is to take place.
- Specify whether you want to produce a report only or whether you need to produce accounting adjustments to the Nominal Ledger.

Note: If you do not select 'Produce accounting adjustments', the routine only produces an activity report showing what is due to be revalued. Revaluation does not occur.

- Click 'OK'.

Outcomes

- Revaluation reports are produced.
- If the option 'Produce accounting adjustments' is selected, entries to the currency adjustments and creditor control accounts are posted in the Nominal Ledger.
- The control values on the transactions are updated in the Purchase Ledger.

Note: If there have been no exchange rate changes then there are no postings made to the Nominal Ledger as a result of currency adjustments.

Manage Supplier Accounts

This chapter deals with the supplier account as a whole, covering both the account record and its associated transactions. These activities include applying pending transactions, querying accounts as well as placing individual transactions under query.

This chapter also explains the various reports used to manage your supplier accounts.

Activities:

Apply postings

Import data

Query accounts

Write off small values

Write off account

Verify account
balance

Before you begin ...

You must have:

- ✓ Applied transactions to your supplier accounts. For more information see *Chapter 4, Manage Supplier Invoices and Credit Notes* and *Chapter 5, Manage Supplier Payments*

Note: You must have suitable security privileges to perform these activities. See your system administrator for more information.

Remember ...

Use your help system for further definition of the Sage 200 windows.

For more information on using the help system, see the *Sage Operations* Documentation.

Manage Pending Transactions

There are two methods you can use to apply transactions to your supplier accounts.

- Apply postings from integrated Sage 200 modules.
- Import and apply transactions from an external data source.

Normally you apply pending transactions generated from other Sage 200 modules. These transactions are stored in a file until you decide to run the update routine to apply the transactions to the appropriate accounts. On the other hand, you may need to apply transactions to your supplier accounts that have been generated from an external data source, and these transactions require additional processing.

Apply postings from integrated Sage 200 modules

Use the 'Update Pending Transactions' routine to add transactions to the Purchase Ledger that have been created using another Sage 200 module such as the Cash Book.

The routine validates the transactions in the posting file before committing them to the right supplier accounts. If it identifies transactions for a supplier account which the ledger does not recognise, it removes the transaction from the process and continues processing the remaining transactions.

If you have set the Purchase Ledger to update the Nominal Ledger on-line then this activity also invokes the Nominal Ledger account update for valid accounts. Invalid nominal entries are posted to the suspense account in the Nominal Ledger.

You need to perform this process regularly to ensure your supplier records are up to date.

Before you begin ...

- ✓ Check to see if you have any transactions waiting to be processed to the Purchase Ledger. Choose Period End Routines > Report Pending Transactions.

Access the window

Choose Period End Routines > Update Pending Transactions.



PL - Update Pending Purchase Transactions

Update entries

Update pending account entries to the Purchase ledger in order of:

Transaction reference

Transaction date

Order date

Enter date

Update entries up to:

OK Cancel

Enter the details

- Select the entry order update.
- Enter the date up to which you want to update the pending purchase account entries.
- Click 'OK' to invoke the process.

Outcomes

- Supplier account history is updated.
- Supplier account balance and turnover values are adjusted.
- The value held for the total outstanding entries in the Purchase Ledger is adjusted.
- Nominal Ledger is updated in accordance with the Purchase Ledger setup.
- The records held for the tax (VAT) codes used on the supplier entries are updated and new tax (VAT) entries created.

Import and apply transactions from an external source

Use the 'Import' routine to bring supplier transactions generated from another software package into Sage 200 or from one Sage 200 data set to another into your system. However you cannot use the Import routine to:

- Add information to existing transactions.

You cannot add a transaction date to an existing transaction for example. The Import routine only writes new records for Sage 200.

- Import a foreign currency receipt or payment.

To use the routine you need to prepare an import file using a suitable ASCII format. The correct data format is CSV or XML. For more information see *CSV and XML Import on page 237*.

The 'Import' routine has two options; you can choose:

- Validate only, to check the import file.

This option checks the import file to make sure it is correctly prepared. It checks that the database identifiers are specified correctly and the data is compatible with existing data in your system's database, for example valid cost centres and departments.

- Validate and import records, to check both the import file and apply valid data to the purchase accounts.

This option checks the import file is correctly prepared as described above and then creates the new transaction from valid data. The routine removes invalid records from the validation process.

The routine automatically applies a posting date of zero to each transaction as they are posted to the Purchase Ledger. It also allocates a URN to any transaction if it finds the UNIQUE-REFERENCE-NO identifier for that transaction is blank.

Note: The routine does not check if transactions already exist in the Purchase Ledger.

The routine automatically generates a report, which details failed and successful records. Use this report to identify problems.

Successful transactions are immediately applied to the Purchase Ledger, if you have selected the option validate and import records.

Before you begin ...

You must have:

- ✓ Prepared the data in the correct format and saved it on your system. For more information see *CSV and XML Import on page 237*.

Access the window

Choose Utilities > Import > Import Transactions.



Enter the details

- Confirm intent to create new records or validate only by selecting the appropriate import option.
- Click 'OK', and specify the path of the file that contains the transaction entries.

Outcomes

- The data is imported into your account data.

Note: If failures have occurred, see the generated report and investigate further.

Query Your Supplier Accounts

You can search your supplier information daily to find the amounts you owe your suppliers, when you last made a payment to a supplier and the status of individual transactions. The Purchase Ledger helps you get to this information so you can determine the status of individual accounts. The Purchase Ledger displays supplier information at account and transaction level.

To help you ensure your financial statements are correct, reconcile your open item accounts on a regular basis. You can use the Creditors Reconciliation Enquiry to help you do this. Before you can run this enquiry you must have selected the open item Creditors accounts for the enquiry within the Nominal Ledger. For more information, see your *Sage 200 Nominal Ledger* documentation.

To see the overall status of the Purchase Ledger you need to use the Ledger Summaries routine within the Accounting System Manager module. The routine displays the number of accounts stored on the Purchase Ledger, the balance on the ledger and the current period you are working in. For more information see your *Sage 200 Accounting System Manager* Documentation.

Account level

The account level provides an overall status for the account and is viewed with the supplier contact details and terms of business. It displays the account status in terms of account balance, aged debt of the balance, and trading figures for the current month, current year and last year. You can view ageing and turnover figures as a graph. When you view the account here you can access the supplier's web site or send an e-mail to your supplier if the web and e-mail addresses are correct. You can also add, amend or delete files which are attached to the account as well as view any text memos attached to the account.

Access the window

Choose Purchase Enquiries > Account Enquiry.

Enter the details

- Select the account you want to view.
- Choose the information that you want to view by selecting the appropriate tab: 'Company', 'Contacts', 'General', 'Terms', 'Credit', 'Analysis Codes', 'Aged Balances', 'Turnover', 'Turnover by Year', 'Attachments', 'Memo' or 'Transaction e-mail'.

Note: The 'Turnover' tab displays the Invoice, Credit Note, Receipts and Payment amounts for a given period.

The Invoice and Credit Note figures do not include the VAT amounts on the transactions. The figures displayed in the Receipts/Payments column do not include the discount amounts due on any associated transactions.

If the supplier account is set for electronic payments an additional 'Bank' tab will also be displayed.

Transaction level

The transaction level information provides a detailed breakdown of each transaction held on the supplier's account for both current and archived transactions.

You can view the current status of a transaction to determine if it has been fully paid, part paid or is outstanding and whether it has a query flag against it. You can also view the URN, which can be used to trace the transaction to the Nominal Ledger. For more information see your *Sage 200 Accounting System Manager* Documentation.

For more detailed information you can view the nominal, allocations, tax, or bank breakdown on the transaction, and send specific details which you are interested in to the printer.

You can use the 'Find' button to search for a particular transaction by type, date, reference, value and allocation in terms of the amount allocated and its status.

Although you cannot change supplier information through this routine, you can assign or remove a query flag on a transaction. Placing a query prevents further actions on a transaction until you remove the query. This is different from applying an 'on hold' flag to the whole account. For more information see *Chapter 3, Establish and Maintain Supplier Records*.

Note: Sage 200 automatically assigns the following query flags in the appropriate routines: 'W' for bad debt write off, 'F' for finance charge invoice and 'U' for unauthorised. Other than these characters you can apply a character to the transaction that is meaningful to you.

Access the window

Choose Purchase Enquiries > Transaction Enquiry.

Supplier details

A/C ref: Address: 14 Adlington Court, Garrard Way, Kettering, Northamptonshire

Short name:

Post code: A/C balance: £ Credit limit: £

Current Historical

Transactions

Trans. Type	Trans. Date	Reference	Value	Allocated	Query	Status	Memo	User	Source	URN
Opening B...	01/01/2006	Open Bal	12456.89	12456.89		Full		User 3	Not Specif...	671
Payment	04/01/2006	0000501	-2359.90	-2359.90		Full		User 3	Cash Book	47
Invoice	05/01/2006	000000103	1723.73	1723.73		Full		User 3	POP	56
Invoice	13/01/2006	000000103	209.15	209.15		Full		User 3	POP	77

Show outstanding only

Transaction detail

Transaction:	Opening Bal. Invoice	Orig ex rate:	1.000000
Reference:	Open Bal	Gross:	12456.89
2nd Reference:	0000517	Discount:	0.00
Trans Date:	01/01/2006	Discounted value:	12456.89
Due Date:	01/01/2006	Allocated:	12456.89
Discount Date:	01/01/2006	Outstanding:	0.00

Select drilldown:

Enter the details

- Select the account you want to query.
- Select a transaction to display its details. You can also view historical transactions on the supplier's account.
- If there are a large number of transactions for a selected account, you can select the 'Show outstanding only' check box to display the outstanding transactions.
- Select either nominal, allocation, tax, bank or memo to view the drilldown details. You can then print drilldown details for those displayed by clicking 'Print Drilldown'.

If you are using the Project Accounting module, you can also selecting the 'Project Analysis' option from the drilldown list. Selecting the 'Project Analysis' option updates the window to display the project transaction details.

Project Analysis

Project	Cost Item	Narrative	Trans. Type	Value
Sage Visions '05...	I10004	SI / ADDCU53A / Sage V...	Sales Invoice	250.00

Select drilldown:
 Project Analysis ▼
 Print Drilldown

Note: Drilldown details are only available if the transactions exist and have not been purged from the relevant files. For more information on drilldown see the *Sage Operations* Documentation.

Viewing orders

If you are using the Purchase Order Processing module, you can view the orders associated with a supplier transaction.

- Select the transaction.
- Click 'View Orders'.

The orders associated with that transaction are displayed.

Adding a memo

If necessary you can add a memo against a specific supplier transaction.

- Select the transaction from the list.
- Select 'Memo' from the 'Select drilldown' list.

The screen updates to show any memos entered against that transaction.

- Click 'Add' to enter a new memo.
- Enter your memo details.
- Click 'Set As Active' to save the details.

Creditors reconciliation enquiry

You must select the accounts you want to see in this enquiry within the Nominal Ledger. For more information, see your *Sage 200 Nominal Ledger* documentation.

Note: The enquiry works with open item purchase ledger accounts.

Access the window

- Choose Purchase Enquiries > Creditors Reconciliation Enquiry.

Criteria:
Accounting Period: 9 - 30/09/2006 [Display]

Period Totals:

Description	Debit	Credit
→ Creditors Opening Balance	22651.98	0.00
Net Change from Purchase Ledger		
→ Invoices		0.00
→ Credit Notes	0.00	
→ Payments	5000.00	
→ Receipts		0.00
→ Opening Balance Invoice		0.00
→ Opening Balance Credit Note	0.00	
→ Currency Adjustments Gain	0.00	
→ Currency Adjustments Loss		0.00
Sub Totals From Purchase Ledger	5000.00	0.00
Net Change From Purchase Ledger	5000.00	0.00
→ Creditors Journals Debit	0.00	
→ Creditors Journals Credit		0.00
→ Previous Year Adjustments Debit	0.00	
→ Previous Year Adjustments Credit		0.00
→ Creditors Closing Balance	22651.98	0.00
Discrepancy	5000.00	0.00

Drilldown Details:

Nominal Account	Name	Opening Balance
04200//	Plant/Machinery - Depr.	-6548.02
06100//	Office Equipment - Cost	29200.00

[Close]

Enter the details

- Select an accounting period and click 'Display' to display the reconciliation information for the period.

Creditors Opening Balance	This shows the balance on the creditor's control nominal account at the start of the period. Select this to show in the 'Drilldown Details' the value for each account nominated as a creditor's control account.
Transactions	Invoices, Credit Notes, Payments and Receipts show the total original base currency value of all transactions linked to the selected accounting period. Select the transaction type to show in the 'Drilldown Details' the value of each transaction.
Opening Balances	Opening balances do not update the Nominal Ledger and so do not carry an accounting period. However, the inappropriate use of opening balances can cause discrepancies, so this information is shown to assist you with this. The total net value of opening balances dated in the selected period is shown.
Currency Adjustments	Currency adjustment transactions that update the Nominal Ledger within the accounting period are shown. Select the line to show in the 'Drilldown Details' the value of each currency adjustment transaction.
Net Change	The value of net change for the accounting period is shown.
Creditors Closing Balance	This shows the balance on the creditor's control nominal account at the end of the period. Select this to show in the 'Drilldown Details' the value for each account nominated as a creditor's control account.
Discrepancy	Any discrepancy between the creditor's control nominal account opening balance (plus net change for the period) and the closing balance is shown here.

- When you have finished viewing the details, click 'Close'.

Prepare Supplier Account Reports

This section describes the reports you can use to keep track of your supplier accounts and their associated transactions. There are other mechanisms you can use for tracking purchases as described earlier in this chapter. See *Query Your Supplier Accounts on page 169*.

The reports described in this section are the Day Book Report, List of Accounts, Account Details, Transaction Listings, Unauthorised Transactions, Vatable Transactions and Trading Report.

Access the window

To prepare your report choose Reports > Account Analysis, then select the report that you want to produce and follow the on-line instructions.

Day Book Report

This report provides details of transactions posted to the Purchase Ledger, for either a single posting date or a range of dates. The posting date is the physical posting date of the transaction; the system date on which the transaction was entered, not the date entered for the transaction itself. Therefore you can report on all entries that were made on a particular day.

If you enter transactions using other modules and they are held in the posting file for update to the ledger, the posting date is the date they were entered into the posting file and not the date they were updated to the Purchase Ledger.

You can use this report to identify a group of transactions entered by a particular user.

List of Accounts report

This report lists all or a selection of your supplier accounts stored on your Purchase Ledger, depending on the criteria you select when preparing the report. Use this report to identify all your suppliers currently stored on the Purchase Ledger.

Account Details report

You can produce the report in either a summarised version or a full detailed report. The summarised version lists the main account details which cover the supplier name, address and contact numbers. The detailed report provides additional information covering the terms of business, turnover and balance, payment terms and account type. Use the 'Account Details' report to provide full details of your supplier records.

Transaction Listing report

This report lists current transactions on the ledger and you can specify the range of transactions you are interested in when preparing the report.

The transactions are grouped with the relevant supplier and displayed in the order in which they were added to the ledger. The report displays values for net, VAT, discount, allocated and outstanding amounts for each transaction.

Provided you have set the ledger to use the archive history file, it is also possible to prepare this report using historical transactions.

Unauthorised Transactions report

This report is only relevant if you are using invoice authorisation. The report identifies all invoices requiring authorisation, using the query flag 'U' for unauthorised to signify their status.

Vatable Transactions report

This report details a list of transactions added to the ledger during the current month that involve VAT.

Specify the number of VAT months over which transactions are included. As a result of this, only transactions up to 300 days old, calculated from the current system date, are included in the report. Use the information in the printed report to reconcile with your VAT Return transactions for the same VAT period. For more information on reconciling the VAT Return, see your *Sage 200 Nominal Ledger Documentation*.

Trading Report

Use the 'Trading Report' to determine the level of trading activity between you and your suppliers. From this report you are able to identify the suppliers you spend most money with. By comparing this report to the 'List of Accounts' report you can identify those suppliers you have not traded with for some time.

The 'Trading Report' can be prepared in a detailed or a summarised format. The detailed report displays the turnover for the current year and last year for each supplier on the ledger. It also details the turnover figures for the current month and the last six months of trading for each supplier. Details of future transactions which may have been posted for a supplier are also included.

The summarised report displays the turnover for the current year for each supplier together with the supplier's account balance and the date the last transaction was applied to the account.

Redress an Account Balance

Sometimes things do not go to plan and you need a way to rectify anomalies. The following section describes the routines you can use, but be careful which routine you choose as each works differently and should only be used in the right circumstance.

You can also use the reverse posting routine to adjust an account balance in the right circumstance. For more information see *Reverse Transactions on page 107*.

Write off small purchase values

You can write off purchase values on a supplier account even if the associated transaction is part allocated. The default transaction value to write off is 200 (in the base currency), however this amount can be altered (increased or decreased) to the desired amount. You should consider changing the write off value when dealing with a foreign supplier account.

The routine automatically generates the appropriate debit or credit note for each write off. It then posts the transactions to the supplier account and the Nominal Ledger accounts to update the balances.

When writing off values on a foreign currency supplier account the routine uses the exchange rate applied to the original transaction to convert the value to base currency.

When the process is complete the ledger prints a detailed report for you to check.

Before you begin ...

You must have:

- ✓ Calculated the VAT element you can now claim, if you are dealing with a transaction that is part paid.

Access the window

Choose Adjust Transactions > Write Off Small Amounts.

Account selection:

Write off transactions from a single account

Write off transactions from all accounts

Supplier details:

A/C ref:

Short name:

Post code:

Write off value:

Maximum value:

Nominal account for tax write offs:

Nominal account:

Transactions:

Acc Ref.	Name	Trans Type	Trans Date	Reference	2nd Ref.	Value	Outstanding	Tax
<input type="checkbox"/> ATL001	Atlas Ranges...	Credit Note	15/07/2006			-146.66	-146.66	-21.66
<input type="checkbox"/> ATL001	Atlas Ranges...	Credit Note	15/07/2006			-35.20	-35.20	-5.20
<input type="checkbox"/> BGT001	BGT Distribu...	Invoice	30/09/2006			189.22	189.22	27.82
Totals								

Clear All

Write Off

Close

Enter the details

- Specify your intent to write off entries from a single account or from all accounts. The from above illustrates all accounts.
- If you want to write off entries from a single account, select the supplier account that you want.
- Accept the default nominal account to be used to write off the tax (VAT) element of the entry or select the relevant nominal account from the drop-down list.

If the system is set up to use cost centre breakdown, only the nominal account reference number needs to be specified for the tax (VAT) write off accounts. The necessary cost centre and department codes are attached automatically from the account header record.

If the system is not set up to use cost centre breakdown, the full nominal account for tax (VAT) write offs, including cost centre and department codes must be specified. See *Example for cost centre breakdown using write off small amounts on page 182*.

Cost centre breakdown is activated in the Accounting System Manger. For more information see your *Sage 200 Accounting System Manager Documentation*.

- Accept or amend the maximum value to write off.

The routine displays the qualifying entries for you to select. If the routine finds the number of qualifying entries is too large to be processed efficiently a message appears and you are prompted to reduce the maximum value to write off.

- From the generated list, select those entries you want to write off by clicking in the column at the left side of the window.
- If the entry is part paid and includes VAT, enter the tax value to be written off in the Tax column.
- Enter the transaction analysis code if required.
- Click 'Write Off' to confirm selection of the write offs.

Outcomes

... if the write off is an invoice

- A credit note is posted to reverse the invoice to be written off, using the original transaction date and the original invoice reference. The value is allocated in full to the invoice.
- The supplier balance is reduced by the gross value (including VAT if appropriate) of the reversing credit note.
- Account turnover for this month (or next month if a future period date is entered) is decreased by the net amount (goods value) of the reversing credit note.

... if the write off is a credit note

- An invoice is posted to reverse the credit note to be written off using the original credit note date as the transactions date and the original credit note reference. The value is allocated in full to the credit note.
- The supplier balance is increased by the gross value (including VAT if appropriate) of the reversing invoice.
- Account turnover for this month (or next month if a future period date is entered) is increased by the net amount (goods value) of the reversing invoice.

- Bad debt nominal account is debited with the total net value of the write off.
- Bad debt nominal account is credited with the total net value of the write off.
- Default tax output account (for the balance sheet) within Nominal Ledger is debited with VAT value on original invoice, except for part allocated transactions, where you amended the VAT amount involved.
- Default tax output account (for the balance sheet) within Nominal Ledger is credited with VAT value on original invoice, except for part allocated transactions, where you amended the VAT amount involved.
- Creditors control (for the balance sheet) within the Nominal Ledger is credited with the gross value of the reversing credit note.
- Creditors control (for balance sheet) within the Nominal Ledger is debited with the gross value of the reversing credit note.

Note: The routine does not update the central VAT file.

Example for cost centre breakdown using write off small amounts

If your nominal accounts are set up as follows; the first three listed are set up in default nominal accounts and the fourth is set up on the supplier account record.

Default bad debt write off	68100			(profit and loss)
Default tax input	15100	ADM	ADM	(balance sheet)
Creditors control	25100	ADM	ADM	(balance sheet)
Default nominal account	44100	FAC	STD	

and carry out a write off small value transaction for the following values:

Net	10.00
Tax	1.75
Gross	11.75

the nominal posting results will be:

Cost centre breakdown IS NOT selected

Bad debt write off	cr	10.00	68100	FAC	STD
Default tax input	cr	1.75	15100	ADM	ADM
Creditors control	dr	11.75	25100	ADM	ADM

Cost centre breakdown IS selected

Bad debt write off	cr	10.00	68100	FAC	STD
Default tax input	cr	1.75	15100	FAC	STD
Creditor control	dr	11.75	25100	FAC	STD

Note: The nominal accounts specified must exist in the Nominal Ledger to prevent postings to the suspense account.

Write off supplier accounts

This routine clears all entries on a supplier's account and resets the balance to zero whether the account is on hold or not. It posts the write off value to the supplier account, and the nominal accounts for bad debt write off, default tax and creditors control. On completing the process, the ledger produces a report providing details of the activities performed. You can go on to delete the account record from the ledger if required.

The routine is particularly useful if your supplier has ceased trading and the debt will not be taken up by another party, or under other circumstances where the debt will not be pursued.

When dealing with a foreign supplier account the routine uses the current system exchange rate to convert the value to the base currency.

Before you begin ...

You must have:

- ✓ Ensured the bad debt write off account is a valid posting type nominal account.

Access the window

Choose Purchase Accounts > Write Off Account.

PL - Write Off Supplier Account

Supplier details

A/C ref: DON001 Name: Donaldsons Extrusions

Short name: Donaldso Address: Mitchells Yard
Quarry Road
Doncaster
South Yorkshire
DN10 5MC

Post code: DN10 5MC

Write off values

A/C balance: £ 5957.25

Goods value: £ 0.00

Tax value: £ 5957.25

Tax nominal account

Nominal A/C: 15100 SAL COM

Write Off Close

Enter the details

- Select the supplier account you want to write off.

If the system is set up to use cost centre breakdown, only the account number reference needs to be specified for the tax write off account. The necessary cost centre and department codes are attached automatically from the account header record.

If the system is not set up to use cost centre breakdown, the full nominal account for tax write offs, including cost centre and department codes must be specified. Cost centre breakdown is activated in the Accounting System Manager. For more information see your *Sage 200 Accounting System Manager* Documentation.

- Enter the goods value you want to write off. The routine automatically calculates the tax value for you.
- Select the nominal account you want to use to write off the tax element of the balance.
- Enter the transactional analysis code if required.
- Click 'Write Off'.

Outcomes

- The balance on the supplier's account is set to zero.
- The bad debt write off account in the Nominal Ledger is updated with the value written off.
- The default tax nominal account is updated in the Nominal Ledger.
- The creditors control account is updated in the Nominal Ledger.

Note: This routine does not update the central VAT file.

Example for cost centre breakdown for write off supplier account

If your nominal accounts are set up as follows; the first three listed are set up in default control accounts and the fourth is set up on the supplier account record.

Default bad debt write off	68100			(profit and loss)
Default tax input	15100	ADM	ADM	(balance sheet)
Creditors control	25100	ADM	ADM	(balance sheet)
Default nominal code	44100	FAC	STD	

and carry out a write off supplier account transaction for the following value:

Net	10000.00
Tax	1750.00
Gross	11750.00

the nominal posting results will be:

Cost centre breakdown IS NOT selected

Bad debt write off	cr	10000.00	68100	FAC	STD
Default input tax	cr	1750.00	15100	ADM	ADM
Creditors control	dr	11750.00	25100	ADM	ADM

Cost centre breakdown IS selected

Bad debt write off	cr	10000.00	68100	FAC	STD
Default input tax	cr	1750.00	15100	FAC	STD
Creditors control	dr	11750.00	25100	FAC	STD

Note: The nominal accounts specified must exist in the Nominal Ledger.

Verify account balance

For more information see *Chapter 8, Verify ledger*. To access the routine use the Accounting System Manager. For more information see your *Sage 200 Accounting System Manager Documentation*.

Maintain the Purchase Ledger

This chapter covers the regular housekeeping routines, including the period end, needed to maintain the efficiency and effectiveness of your Purchase Ledger.

It identifies the routines you can use to view the status of the Purchase Ledger as a whole and covers the mechanisms employed to maintain the integrity of the data stored on the ledger.

Activities:

Verify ledger balance

Reconcile to the Nominal Ledger

Run the Period End Routines

Clear redundant transactions

Clear redundant allocations

Preview VAT Return

Rebuild indexes

Delete account transactions

Clear POP totals

Before you begin ...

You must have:

- ✓ Applied transactions to your supplier accounts. For more information see *Chapter 4, Manage Supplier Invoices and Credit Notes* and *Chapter 5, Manage Supplier Payments*.

Note: You must have suitable security privileges to perform these activities. See your system administrator for more information.

Remember ...

Use your help system for further definition of the Sage 200 windows.

For more information on using the help system, see the *Sage Operations* Documentation.

Perform Housekeeping Activities

To ensure your records are up to date, and to optimise the processing speed on the ledger, you need to perform regular housekeeping activities. This includes the 'Period End' routine and if you have chosen to use an archive history file, you need to maintain that too.

Verify ledger

The 'Balance Ledger' routine is a preventative measure to identify actual problems on the ledger. You can use it to check all account balances on the ledger or just check a single account.

The routine checks several account elements such as postings and account balances to ensure they are valid. The process produces a report summarising the findings, which you can use to identify discrepancies. You can also use the routine to adjust imbalances and reset the account balance as part of the process.

It is good practise to run this process on a regular basis to detect any problems. If problems are left undetected your backups and daily processing will be affected.

You can only run this routine in single user mode; there must be no other users on the system.

Note: If you have set the ledger to revalue foreign creditors then this process invokes the 'Foreign Account Revaluation' routine and may result in postings to the currency adjustments nominal account in the Nominal Ledger.

You can access the Balance Ledger routines through the Accounting System Manager. For more information see your *Sage 200 Accounting System Manager* Documentation.

Reconcile to the Nominal Ledger

To check your account entries on the Purchase Ledger agree with the entries on the Nominal Ledger, you need to perform certain tasks in both modules. These tasks involve updating postings and preparing reports to enable you to crosscheck the entries.

Before you begin ...

You must have:

- ✓ Run the Balance Ledger routine. For more information see your *Sage 200 Accounting System Manager* Documentation.
- ✓ Prepared your Aged Creditors report.

- ✓ Confirmed the Balance Ledger report and Aged Creditors report agree.
- ✓ Checked to see if there are any current postings in the deferred file, selecting the deferred option in the 'View Waiting Postings' routine in the Nominal Ledger. If you find current postings in the deferred file, move them to the current file using 'Move Deferred Postings' (within File Maintenance) in the Nominal Ledger.
- ✓ Updated all pending posting to the Nominal Ledger. To view these postings before performing an update use 'View Waiting Postings' in the Nominal Ledger.

Note: If using 'Foreign Account Revaluation', you should also run the revaluation routine and choose to produce accounting adjustments as one of the steps to take prior to reconciling and running your Aged Creditors report. Further information is available on reconciling to the Nominal Ledger.

How to reconcile

- You need to produce reports as follows:
 - Accounting System Manager: Balance Ledger.
 - Purchase Ledger: Aged Creditors, Transaction Listing report for all accounts.
- Note:** Purchase Ledger accounts with type balance forward, do not have transactions after a period end.
- Nominal Ledger: for creditors control account: Account Analysis, Deferred Postings list, Transaction Listing report.
 - Nominal Ledger for suspense account: Transaction Listing report, Deferred Posting list.
 - Nominal Ledger: Pending Transactions for Nominal Ledger.
- Use this formula in conjunction with the reports you have produced to reconcile the Purchase Ledger Aged Creditors entries with the Nominal Ledger creditors control entries:

<i>Total for creditors (use the Nominal Ledger Account Analysis report)</i>	+ <i>Deferred posting for creditors (use the Nominal Ledger and choose Period End Routines > View Waiting and select Transaction View Deferred)</i>	= <i>Total on Purchase Ledger Aged Creditors report</i>
---	--	---

Points to note if a difference occurs

- Check in 'View Waiting Postings' for any current postings for creditors to the Nominal Ledger suspense account.
- Check in 'View Waiting Postings' for any deferred postings for creditors to the Nominal Ledger suspense account.
- Check if there are any transactions on the creditors control account which have not been posted from the Purchase Ledger, for example, Nominal Ledger journals.
- Check the total value posted to nominal accounts set to use batch postings, using the report generated after completing the 'Update Waiting Postings' routine in the Nominal Ledger.

- Reconcile the Nominal Ledger creditors control account transactions against individual transactions on the Aged Creditors or Purchase Ledger transaction report, to match transactions.

Perform Period End routines

The routines in this folder within Sage 200 are vital to maintaining your Purchase Ledger and as the title suggests are performed on a period basis in conjunction with the accounting periods defined in the Accounting System Manager. For more information see the *Sage 200 Accounting System Manager* Documentation.

Preparatory Tasks for the Purchase Ledger Period End

Before you run the period end process in the Accounting System Manager for the Purchase Ledger, you must have:

- ✓ Run the Update Pending Transactions routine on the Purchase Ledger. For more information see *Chapter 7, Manage Pending Transactions*.
- ✓ Checked and cleared any transactions requiring authorisation.
- ✓ Allocated as much cash as possible on all open item accounts. For more information see *Chapter 5, Manage Supplier Payments*.
- ✓ Put under query any transactions that are not to be removed at the period end. For more information see *Chapter 3, Manage Account Status*.
- ✓ Printed remittance advice with cheques, if using the automated payment processing routines, otherwise ensure all posting and allocation of payments has been carried out. For more information see *Chapter 5, Process supplier payments*.
- ✓ Cleared your suggested payments file. For more information see *Chapter 5, Process supplier payments*.
- ✓ Printed your detailed VAT report and VAT Return, if required, from the Nominal Ledger module.
- ✓ Updated the foreign currency exchange rates. For more information see the *Sage 200 Accounting System Manager* Documentation.

- ✓ Printed all reports you require for the period end, including the Transaction Listing report, the Aged Creditors report and Vatable Transactions report. These reports are required for auditing and reconciling purposes.

The Transactions report is a straightforward list of transactions for that period's trading. For more information see *Chapter 7, Transaction Listing report*.

The Aged Creditors report determines all outstanding balances on each supplier account and the age of each debt relative to the ageing periods you specified during the ledger setup process. For more information see *Chapter 5, Aged Creditors report*.

The Vatable Transactions report lists all supplier tax (VAT) entries within a given period. Use this report as part of your reconciliation procedure to analyse purchase tax (VAT) amounts.

- ✓ Printed the List of Accounts report and the Trading report to decide which accounts are to be deleted if any.

The List of Accounts is a straightforward list of your supplier accounts. For more information see *Chapter 7, List of Accounts report*.

The Trading Report illustrates the trading activity of your suppliers. It summarises for each supplier the turnover figures for the current and previous year, and also details the turnover figures for the current and last six months. The values in the report are exclusive of VAT and displayed in your base currency. If you are working with foreign currency suppliers then the ledger converts the values to your base currency using the rates specified in your exchange rate table. For more information see *Chapter 7, Trading Report*.

- ✓ If you have not already done so, used the Accounting System Manager > System Utilities > Audit File option to print or store your audit trail for the month.
- ✓ Taken a backup of your Purchase Ledger data files.

Access the window

Choose Period End Routines > Account Maintenance.



The first time this option is run, there will be no details displayed in this window. Once an option has been run, the date that the option was run will be displayed.

- Select the 'Archive transactions for Open Item/Auto Allocation accounts' option to archive those transactions marked as 'allocated'. Once selected, enter the date in the date box.
- Select the 'Run period maintenance for Brought Forward accounts' option to archive any brought forward accounts in your Purchase Ledger. Once selected, enter the date in the date box.
- Select the 'Run periodic maintenance for automatic allocation accounts' option to check any transactions that have been automatically allocated. Once selected, enter the date in the date box.
- Click 'OK'.

Outcomes

Running the 'Period End' routine ensures the following essential activities are performed:

- Allocated transactions (that are not currently being queried) on any open item accounts are removed.
- All balance forward transactions older than the specified date are removed and a brought forward balance is calculated.
- All individual balance forward transactions posted with a date later than the specified date are carried over.
- For automatic allocation accounts, all credits are allocated to debits as far as possible. Remaining debits or credits not allocated are carried over into the new period, leaving partly allocated transactions where values do not match.

After running the routine in Accounting System Manager > Accounting Periods > Maintain Accounting Periods, the Nominal Ledger will no longer accept transactions for the closed period from the Purchase Ledger. They will go into the next open period.

Delete archived transactions

This routine is only applicable if you have set the ledger to maintain historical transactions. If this is the case the ledger stores historical supplier transactions in a separate archive file once they have exceeded their history length on the supplier's account. For more information see *Chapter 2, Set Up the Purchase Ledger*. From time to time you need to delete transactions from the archive file to improve the processing speed on the ledger. Depending on your file space you may need to perform this activity annually, quarterly or even on a monthly basis.

There are a number of options available with this routine. You can choose to:

- Remove historical transactions for all supplier accounts.
- Remove historical transactions for a single supplier account.
- Remove historical transactions within a given date range, say those that are older than one year.

The date range defaults to one full year, based on the current system date. For example, if the system date is 28th January 2007; the start date will be 28th January 2006 and the end date 28th January 2007.

Before you begin ...

You must have:

- ✓ Ensured that there are no other users on the system.

Access the window

Choose Utilities > File Maintenance > Purge Transactions.

Enter the details

- Choose to delete entries on a single account or all accounts on the ledger.

If you have selected to delete a single account, display the supplier account you want to delete.

If you want to delete a range of historical transactions, enter a date range. To delete all transactions for a supplier leave the date range boxes blank.

- Click 'Delete'.

Preview or print the VAT Return

For more information see your *Sage 200 Nominal Ledger Documentation*.

Perform the Year End process

The year end process is controlled from within the Nominal Ledger. For more information see the *Sage 200 Nominal Ledger Documentation*.

Before you can run the year end process you must have run the final period end process for your financial year in the Purchase Ledger.

Maintain Ledger Integrity

The following routines are mainly used to resolve data corruption on the Purchase Ledger, which can occur if the ledger is locked following power or hardware failures. However, the 'Rebuild Indexes' routine also ensures the optimum speed of access to data on the ledger and should therefore be performed on a regular basis.

Delete account transactions

This routine should be used as a last resort to solve balance problems on a supplier account, if there is no backup available. Also, if you have been using test data on the ledger and need to clear the test data before applying live data you can use this routine. However, you should be aware that this routine does not delete the corresponding transactions in the Nominal Ledger. To overcome this problem, post opposite entries in the source module, for example a credit note to reverse an invoice. This posts the opposite entries to the Nominal Ledger.

The routine deletes all transactions from an individual account or for all accounts on the Purchase Ledger. It sets the account balance and turnover figures to zero and any transactions are removed from the account. If you are using the archived history file, specified during the Purchase Ledger setup process, the entries are removed from the current transaction file on the supplier's account and added to the historical file. For more information see *Archive transactions after this period on page 21*. If you have decided not to use the archived history file, then the transactions are deleted from the ledger permanently.

Once you have deleted the required transactions check the ledger does balance by running the Balance Ledger routine. See *Verify ledger on page 191*.

Deleting account transactions does not affect the balances on the nominal accounts.

Access the window

Choose Adjust Transactions > Delete Transactions.

PL - Delete Supplier Transactions

Selection:

Delete transactions from a single account Delete transactions from all accounts

Trader details:

A/C ref: ATL001 Name: Atlas Ranges Ltd

Short name: Atlas Address: 14 Adlington Court,
Garrard Way,
Kettering,
Northamptonshire

Post code: NN16 3JU

A/C balance: £ 639.42

Delete Close

Enter the details

- Choose to delete entries on a single account or all accounts on the ledger.
- If you have selected deletion for a single account, display the supplier account you want to delete.

Note: If you select the wrong account, simply reselect the account you need.

- Click 'Delete'.
- Confirm that you want to delete the account when prompted.

Outcomes

The account balance, turnover and base turnover on the selected supplier accounts are set to zero.

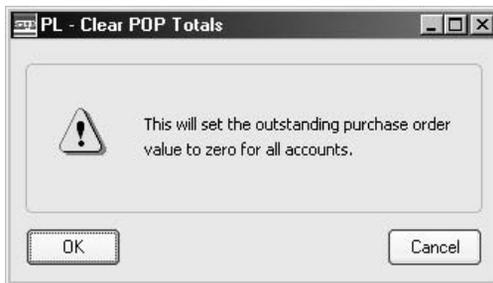
Clear purchase order processing totals

This routine is only relevant if you have set the Purchase Ledger to integrate with the Purchase Order Processing module. In which case a supplier account on the Purchase Ledger holds an additional balance along with the account balance. The additional balance consists of the value of purchase orders raised in the Purchase Order Processing module pending invoice confirmation.

This routine clears the Purchase Ledger order balance and sets it to zero for all supplier accounts. This is particularly useful if you are entering test data into Sage 200 to familiarise yourself with the system and you need to clear the Purchase Ledger order balance before entering live data.

Access the window

Choose Utilities > File Maintenance > Clear POP Totals.



Enter the details

- Click 'OK' to clear the totals.

Outcomes

- The order values stored on all supplier records are set to zero.

9

Glossary of Accounting Terms

Defines frequently used accounting terms and their meanings.

In this chapter:

Glossary

Remember ...

... the Sage 200 help system also contains glossaries.

A

Account	The generic term for a set of information relating to a supplier, customer, bank or nominal account record.
Account Balance	The total value of money outstanding on an account at any one time.
Account Code	The account code is made from three parts: the account number, the Cost Centre (CC), and the Department (Dep).
Account Name	The account name associated with a nominal account code, as set up when you enter a new account. This will be displayed on certain windows by the system when you select a nominal account.
Account Number	The unique identifier that relates to a specific account. This can constitute numerical or alphabetic characters or a combination.
Account Type	There are three types of account: automatic allocation, balance forward and open item. Selecting an account type determines how the transactions on the account are processed and stored.

Accounting Equation	The equation at the heart of double entry book-keeping, which states that the liabilities of a business subtracted from its assets equals its capital. It is the reason a Balance Sheet exists.
Accounting Period Status	The accounting periods set up within the Accounting System Manager can have a 'Closed', 'Open' or 'Future' status. This accounting period status determines whether the Nominal Ledger can receive postings into the period.
Accounting Periods	The divisions of the financial year, usually 12 or 13. The periods of time used by the business to process accounting entries when producing certain reports, such as the Profit and Loss and the Balance Sheet. See Open Accounting Periods.
Accounting System Manager	The Sage 200 Accounting System Manager module allows you to set up common controls for applications across modules.
Accounts Payable	See Purchase Ledger.
Accounts Receivable	See Sales Ledger.
Accruals	The process of matching expenditure or income to the accounting period in which it was incurred rather than paid; for instance, a rent cheque or utility charges.
Accumulated Profit Account	This nominal account is where the Year End process puts the sum of the Debit-YTD and Credit-YTD figures from the Profit and Loss accounts before setting them to zero. On the 'Year End' report, the Account/CC/DP and Name is shown and the final debit or credit amount calculated by the process.
Actual Cost	The price paid for an individual item as it is invoiced in Purchase Order Processing and used to calculate the cost of stock. Only applicable for batch/serial numbered items.
Additional Charges	Extra charges placed on an order, such as carriage and insurance.

Adjustment Period	A period opened after the Nominal Ledger year end has been run, to enter transactions to adjust the previous year's figures. When the adjustment period is closed, the transactions in this period are included in the opening balance for the current year.
Aged Creditors	Aged Creditors are creditors to whom the business has owed money for a defined period of time.
Aged Debtors	Aged Debtors are debtors who have owed money to the business for a defined period of time.
Aged Creditors Report	The Aged Creditors report analyses amounts owed to suppliers according to the length of time those amounts have remained unpaid.
Aged Debtors Report	The Aged Debtors report analyses amounts owed by customers according to the length of time those amounts have remained unpaid.
Ageing Date	This is the date applied within the ageing reports. These reports provide details on the trader's account transactions for a specific ageing date.
Allocation	The process by which payments are matched against purchase invoices and receipts against sales invoices raised.
Allocation Date	This is the date a transaction is allocated. You enter the allocation date when you enter the transaction.
Allocation Status	See Transaction Status.
Analysis Codes	Analysis codes are used to indicate common sales or purchase accounts. Assigning an analysis code to a sales or purchase account allows you to group transactions for payment or for reporting purposes.
Appropriation Accounts	These show how net profit is distributed between partners in a partnership or between share holders and reserve funds in a company.

Assets	The resources of a business; items it owns and uses, or amounts owed to it. Examples of assets are property, stock, cash and money held in the bank.
Attachments	Any type of file (graphic, text, spreadsheet) associated with an account.
Auditor	A person qualified to inspect, correct and verify business accounts.
Authorised Share Capital	The total value of shares that the company could issue, as distinct from the called up and paid up share capital.
Automatic Allocation	Automatic allocation is a type of accounting that combines the features of open item accounting with an automated allocation routine, which is activated at month end. During the month end process, any payments are allocated to invoices on the basis of the oldest outstanding invoices being allocated first. If an invoice is in query, then it is ignored.
B	
Back to Back Ordering	The generation of purchase orders to satisfy sales orders when using the 'From supplier via stock fulfilment method'.
Bad Debt	A debtor who is not expected to discharge his debt. Bad debts must be written off and hence reduce profit.
Balance	The total amount of money outstanding on an account at any one time.
Balance Forward Accounting	Balance forward accounting is a type of accounting where all transaction details remain on the ledger in full until the Period End routine is run. During the period end procedure, all transactions (except those 'in query' which are dealt with separately) are cleared from the file and only a brought forward balance is displayed for the new period. Each period's total creditors balance is carried forward as a single balance figure. The number of balances carried forward depends upon the number of periods aged debts you specify for the Purchase Ledger.

When transactions, such as receipts, are posted for a previous period's transaction, they are allocated by period number, so that the appropriate balance is reduced at the period end. The advantage of this type of accounting is its economical use of disk space, which if short on your computer, may influence your choice of accounting method. Balance forward accounting cannot be used for foreign currency accounts.

Balance Ledgers

A routine that ensures all data stored for a Sage 200 module is intact and has not become corrupted in any way.

Balance Sheet

A report that details the various assets and liabilities of a business at a point in time, usually the end of an accounting period. A Balance Sheet must always balance; debits must always equal the credits.

Bank Account Type

Bank accounts may be deposit or current. Deposit accounts are for holding monies longer term, when transactions are not made as regularly as they are for current accounts. Standing orders and direct debits cannot be set up on deposit accounts.

Bank Charges

Bank charges can be incurred for many reasons. For example, if trading in foreign currency, you may incur charges as a result of the conversion to the bank account's currency. You may enter these in the Sales/ Purchase Ledger and Cash Book transaction entry routines. These charges are then posted to a bank charges account (profit and loss) within the Nominal Ledger.

Bank Payment

A transaction posted that reflects the payment for goods or services.

Bank Receipt

A transaction posted that reflects the receipt of money for goods or services.

Base Currency

The currency normally used by the Sage 200 user's company to carry out business transactions.

Base Unit

Used to determine the ratios that are applied to calculate the quantitative relationships between an item's units of measure.

Batch Numbered Item	A standard stock item assigned batch numbers, enabling a group of stock items to be traced from purchase through to sales.
Batch Processing	A method of accumulating and processing transactions together in a batch.
Bill of Materials (BOM)	A stock assembly and process costing system, which provides facilities to specify the structure of finished items in terms of sub-assemblies and components.
Bin	Secondary location point where a stock item is stored. The bin is the default secondary location provided with Sage 200 when using multiple locations.
BOM	See Bill of Materials.
Budget	An estimate of expected income or expenditure for expected activities over a specified period of time.
Buying Price Unit	The measure in which a purchased item is priced.
Buying Unit	The measure an item is bought in, such as metre, litre, case.
C	
Call	When shares are issued only part of their cost is usually paid at the time of application and allotment. A call is a demand by the company for part or all of the outstanding sums to be paid.
Called Up Share Capital	The face value of shares for which payment has been called, although not necessarily made.
Capital	Amounts owed by a business to its owners, being the amounts injected in cash by the owners, together with any movement in the value of the business not made up by further cash injections or withdrawals.
Capital Employed	Capital generally defined as the money invested in the business. Shareholder's capital employed refers to share capital and reserves only, whereas total capital employed includes long term loans.

Capital Expenditure	Money spent on the acquisition of an asset, such as premises, motor vehicles, plant or machinery that are used within the business over a period of years.
Capital Gain	Profit made on selling an asset for more than its original purchase price.
Capital Gains Tax	Tax paid on the capital gain (profit) made on selling an asset for more than its original purchase price.
Capitalisation	The accounting process by which expenditures of the business relating to more than one accounting period are created as assets, so that they can be released to the Profit and Loss report in instalments over the accounting periods to which they relate.
Cash Book	<p>A book used to record details of cash moving in and out of the bank accounts.</p> <p>The Cash Book module lets you post cash transactions to nominal bank accounts and appropriate revenue and expense accounts.</p>
Cash Flow	A measure of the liquidity of a business that concentrates on cash in and out rather than accounting profits and losses. Profitable businesses can fail if customers pay more slowly than the business pays its suppliers, and so cash flow, as well as profitability, should always be measured.
Cash Flow Forecast	A forecast of the liquidity or cash in and out of a business.
Cash Payment	A transaction posted that reflects the payment for goods or a service where there has either been no invoice (for example, buying petrol for a car where the money is handed over immediately the goods have been received), or the invoice is paid as soon as it is received thereby removing the need to post an invoice through the ledger. Instead of the money being paid directly out of the bank, the money is paid out of either the petty cash account or till account.

Cash Receipt	A transaction posted that reflects the receipt of money for goods or a service where there has been no invoice (for example, selling goods over the counter, the money is handed over immediately the goods have been received) or the invoice is paid when it is received thereby removing the need to post it through the ledger. Instead of the money being paid directly into the bank, the money is paid into either the petty cash or into the till account.
Chart of Accounts	A list of all the categories a business uses to analyse income, expenditure, assets, liabilities and capital, together with the way such categories are assigned to the Balance Sheet or Profit and Loss financial statements.
Closed Accounting Period	The 'Closed' status means that the Nominal Ledger is not able to receive transactions from specific source modules for the accounting period that has been closed.
Closing Balance	The balance of an account at the end, or close, of an accounting period.
Commercials Modules	Commercials modules within Sage 200 comprise the Stock Control and Sales and Purchase Order Processing modules.
Contra Entry	<p>An adjustment made to balance transactions in one ledger with another. For example, outstanding purchase ledger transactions may be balanced against outstanding sales ledger transactions where you sell to and buy from the same company.</p> <p>For example, you have sold goods to XYZ of the value of £200. You have bought goods from XYZ to the value of £100. Overall they owe you £100 (i.e. what they owe you less what you owe them). A contra entry matches up the £100 you owe them against £100 they owe you.</p>
Control Accounts	Accounts to which single balances analysed elsewhere in the accounting system are posted. Often the balances are posted from other ledgers. For example, the debtors control account records the amount of sales recorded in Sage 200. It is reduced by receipts from customers as they are posted into the system.

Consolidation	The process of combining the Nominal Ledger information for a set of different companies, where one is the main company and the other(s) subsidiaries.
Cost Analysis	A review and evaluation of costs.
Cost Centre (CC)	A segment of an organisation for which costs are required to be collected and formally reported on separately; for example, a company division such as sales or production.
Cost of Sales	The direct costs incurred as a result of making sales. For a retail company, this may mean the cost of purchasing goods, net of carriage and purchasing discounts, less the movement in the value of the stock. For a manufacturing company, it may mean the cost of producing the goods sold.
Cost Plus	A job charged as the value of materials and labour uplifted by a percentage.
Cost Variance	The difference between the actual cost paid for an item and the declared standard cost specified on the stock item.
Country Codes	EC countries each have a specific code to identify accounts that belong to that country. These have implications for VAT processing. The VAT implications of trading in EC countries are described in the <i>Sage 200 Accounting System Manager</i> Documentation.
Credit	<p>(1.) One side of the double entry process, representing negative figures on the Balance Sheet (reductions in assets; increases in liabilities and capital), and income on the Profit and Loss financial statements.</p> <p>(2.) Assumed money a customer may use to purchase goods from you. This is normally dependent on their history with you. Limits are usually set and credit can be withdrawn at any time if the customer fails to pay or goes beyond the agreed credit limit.</p>
Credit Control	The process of monitoring and reporting on accounts where money is owed to the business.
Credit Limit	The amount an account is allowed to owe at any one time.

Creditors	Third parties to whom money is owed by the business.
Criteria	Allows you to narrow down the amount of data displayed on a Sage 200 report. When you request a report within Sage 200, you will often be presented with the 'Criteria' window if it is relevant to the report. You can accept the default criteria, which will usually select all possible records, or you can select the output for the report by entering selections. The criteria offered will depend on each report.
CSV	Comma Separated Value file format. Sage 200 can import and export data in the CSV file format.
Current Account Balance	The total value of money outstanding on an account at that time.
Currency Adjustments	A gain or loss which emerges as a result of the difference in exchange rates between the time an invoice was issued on foreign currency accounts and payment was made.
Current Asset	An asset which can be easily realised. It can also be termed a liquid asset; for example, money in the bank or in petty cash, debtors or stock.
Current Liability	A current liability is a debt owed by the company; for example, creditors, accruals or an overdraft that will be cleared in the short term.
Current Postings	These are postings that are waiting in the Nominal Ledger current postings file, ready to be updated to the accounts in the 'Update Waiting Postings' routine. These postings have a transaction date earlier than the current Nominal Ledger period end date.
Current Transactions	These are the transactions that have not yet been removed from the account by closing the period. The length of time these remain on the account depend on the setting 'Keep Transactions For' in the 'Ledger Settings' area of the program.

**Customer and Supplier
Analysis Codes**

Codes used to group transactions on sales and purchase accounts according to a defined common attribute which can subsequently be used as report selection criteria.

D

Data File

Synonymous with company in Sage 200. A Sage 200 data file is a Sage 200 company.

Day Book

A book that lists all the transactions in the order that they arise. There is a day book for different types of transactions, for example, a sales day book and a purchase day book.

Debit

One side of the double entry process, representing positive figures on the Balance Sheet (increases in assets; reductions in liabilities and capital), and expenditure on the Profit and Loss financial statement.

Debtors

Third parties from whom money is owed to the business.

Debtors Control

This is the balance sheet account to which postings are made when transactions are added to the Sales Ledger. For example, when you post an invoice, the total value of the invoices is debited to the debtors control account, while the sales analysis account is credited with the net goods value and the VAT output account is credited with the VAT amount.

Default Values

Settings that are used for all accounts unless specifically overridden at account level.

Deferred Postings

Postings whose transaction date is after the current Nominal Ledger period end date. These are stored in the deferred postings file and will not be updated into the ledger during the 'Update Waiting Postings' routines, as current postings are. Closing the period moves postings from the deferred file to the current one when their transaction date becomes earlier than the new period end date.

Delivery Note	Sent to the customer with goods to show what should be on the order. The recipient will normally sign to prove the order has been fulfilled. The document is retained in case of any future dispute.
Department (DP)	A subdivision of a cost centre where costs are required to be collected and reported on separately; for example, a sales area or a manufacturing depot.
Direct Debit	A recurring bank transaction. The first and last payment amounts may differ from the regular payment. They may be subject to VAT and the frequency of payment may be weekly, monthly, quarterly or some other specified period. As with standing orders, the necessary payment or receipt transactions are automatically posted using either a daily or monthly routine.
Direct Delivery	The ability to deliver goods directly to the customer based on the sales orders they raised or deliver to a customer, supplier or other location not related to an initial sales order.
Direct Expenses	<p>Those expenses that are incurred in the actual manufacture and sale of the product or the sale and provision of the service (the expenses incurred by the day-to-day trading of the business).</p> <p>For example, the wages of machine operators, the power to run the machines, the wages and commission of sales staff, the cost of advertising and any sales promotions.</p>
Discount	A reduction in price allowed to a customer for loyalty, early payment or bulk buying.
Dispute Codes	Codes used to mark purchase invoices as disputed.
Distributable Profits	In company accounts these are the sums that are available for dividends to shareholders. While based on the net profit, they may be increased by undistributed profits from the previous year or reduced by the need to retain some for the reserves.

Dividend The amount paid out per share. Usually described as a percentage of the face value (the original price) of one share. So a 10% dividend on a £1.00 share would be 10p.

Double Entry A system of book-keeping in which every transaction of a business is entered as a debit in one account and as a credit in another. As every transaction must have an equal or zero effect on both sides of the accounting equation, every positive amount entered (debit) must be mirrored by a negative amount or amounts (credit).

Drawings Cash or goods taken from the business for the owners personal use. Drawings only apply to sole traders and partnerships. Drawings do not count as an expense in the Profit and Loss financial statement and must be included in the 'financed by' section of the Balance Sheet.

Due Date The date by which an invoice should be paid. This is used for the Aged Creditors or Aged Debtors reports.

E

EC Country A country that is in the EC trading area, identified by its country code. These countries are required to follow specific trading procedures. The VAT implications of trading in EC countries are described in the *Sage 200 Accounting System Manager* Documentation.

Equity The money invested in a business to get it started, together with any subsequent cash investments net of withdrawals (the interest of ordinary shareholders in a company).

Euro Currency in Transition This is a currency which has joined the euro but is in a period of transition. During a transitional period both the euro and the country's currency may be used to trade simultaneously.

Exchange Differences When trading in foreign currencies, changes in exchange rates may affect the profit and loss on a transaction. These exchange differences are posted to the Nominal Ledger 'Exchange Differences' account.

Exchange Rate The calculation a bank will use to convert the price of one currency into another currency. Whilst some exchange rates are fixed by agreement, most change daily.

Expenses Expenses are those items that the company buys which do not go to create that company's product or service. For example, stationery, petrol, promotional goods.

F

Factor House A third party company that collects a supplier's debts on their behalf.

Factored Pricing Allows one stock line to be bought, sold and held in stock varying units.

For example, aluminium wire could be bought in 2000m lengths, sold in lengths of 100m, 200m and 300m but may be held in stock in 1000m coils. Factored pricing allows you to convert the buying and selling prices from one unit to another, where required.

FIFO FIFO, or First In First Out, is an assumption that enables the cost of stock to be calculated. When sales are made the items sold are assumed to be the earliest purchased, so the cost of items in stock always reflect the most recent purchases.

Finance Charges Charges are applied to customers who fail to pay within the time agreed. The charges may escalate depending on the length of time bills are unpaid.

Financials Modules Financials modules within Sage 200 comprise Sales, Purchase and Nominal Ledgers and the Cash Book.

Fixed Assets Assets which the business intends to retain for the coming year rather than convert into cash. Typical fixed assets include property, office equipment and motor vehicles.

Fixed Price The cost of the job is decided up front and is not based on what it has cost to complete the job.

Foreign Currency	Any currency other than base currency, in which an account operates. Currency processing implications are described in the <i>Sage 200 Accounting System Manager</i> Documentation.
Free of Charge Issue	Issuing stock to customers where no charge is made for the goods.
Free Stock	The amount of unallocated stock available at a given place, where place can be a location, warehouse or warehouses.
Free Text Item	Items that have not been defined in the Stock or Sales Order Processing module, and which may have lengthy descriptive text to be included in a quotation, pro forma invoice or order.
Full Order Entry	Orders for account customers in Sage 200 Sales Order Processing system. Goods ordered in this way are despatched from the warehouse with a despatch note, and an invoice for payment is generated separately. Such orders may be subject to discount. Some payments may be received and entered at the same time as the order.
Future Accounting Period	Periods marked with a 'Future' status cannot receive any postings. Any transactions posted onto the Nominal Ledger with a date in the future are deferred until the period is opened.
G	
General Ledger	See Nominal Ledger.
Goods Received Number (GRN)	The Goods Received Number, also known as GRN, is assigned to a record when goods or services are confirmed as received. It is also applied to a record when goods are returned to a supplier during the Confirmed Goods Returned activity.
Goodwill	An intangible asset of a business reflecting its commercial reputation and customer connections.
Group Accounts	These are used to group Nominal Ledger accounts for reporting purposes only.

Gross	The amount before any deductions are made.
Gross Margin	A measure of the profitability of a business by which the gross profit is divided by the sales. It is usually expressed as a percentage.
Gross Profit	The difference between total revenue from sales and the total cost of purchases or materials, with an adjustment for stock.
H	
Held Journal Entry	Journal entries that have not yet been completed are called held. They are stored in a special file until such time as they are completed, when the postings within each journal entry will be moved either to the current or deferred postings files depending on their posting date. Entries may be held for several reasons; for example, the entered postings do not balance and further investigation is required, or authorisation is required from another user.
Historical transactions	These are transactions that have been transferred to the historical transactions file which is controlled by settings within each module.
Honorarium	A voluntary fee paid for a service that is usually free.
I	
Intangible Assets	Assets, especially fixed assets, can be considered as tangible and intangible; tangible assets are physical entities, whereas intangible assets are conceptual. Intangible assets include copyrights, patents, goodwill. They are saleable but do not contain any intrinsic productive value.
Internal Issue	Issuing stock items requested by an internal department.
Intrastat	Supplementary Statistical Declarations (SSD), are necessary for VAT registered businesses with a value of despatches of goods to other EC countries or of arrivals of goods from other countries exceeding a threshold.

Inventory Management	The process of managing your stock control.
Invoicing	The process of billing for payment.
J	
Job Costing	A cost accounting system, which allocates costs to specific jobs.
Journal	A record that holds one or more transactions for posting. Synonymous with batch in batch processing.
Journal Entries	Double entry transactions that can only be entered directly in the Nominal Ledger module. These can be corrections to postings from the other ledgers or additional transactions that do not relate to the other ledgers.
L	
Landed Costs	The costs incurred in shipping and handling products can be calculated separately from the product costs and logged to a separate Nominal Ledger account. If you choose to do this in Sage 200 you can maintain and track your shipping, handling and any importation costs independently.
Ledger Date	This dictates the end of the current period being processed.
Ledgers	The principal book in which the transactions of a business are recorded. The details of customers and their transactions are recorded in the Sales Ledger; purchasers and their transactions are recorded in the Purchase Ledger. All ledgers are amalgamated in the Nominal Ledger by the posting of balances from the individual ledgers. The Nominal Ledger also receives postings from the Cash Book and directly from journal entries for all other accounting transactions.
Liabilities	Amounts owed by a business to third parties including suppliers, banks, tax authorities and employees.
Liquid Asset	See Current Asset.

M

Margin	The purchase and sale of a goods item may be shown as $\text{Cost Price} + \text{Profit} = \text{Selling Price}$. The profit when expressed as a fraction or percentage of the selling price is known as the margin.
Mark-up	The purchase and sale of a goods item may be shown as $\text{Cost Price} + \text{Profit} = \text{Selling Price}$. The percentage added to the cost price to provide a profit is known as the mark-up.
Memo	Free format text entered against a specific account.
Memorandum Accounts	Whenever you are posting transactions to the Nominal Ledger using the journal entry facilities, the total of all postings in the batch needs to balance to ensure accurate double-entry bookkeeping. However, any value associated with a memorandum account does not affect either the debit or credit total of the journal. This enables you to analyse values in more than one way without affecting the balance of accounts or the ledger as a whole.
Module	A term which denotes features based in and around an area of accounting. For example, sales are described and contained within the Sage 200 Sales Ledger module.
Month End	A specific processing routine available for each Sage 200 Financials module.
Multiple Locations	Used when stock is stored in several different places; for example, warehouses and bins.
Multiple Units	Used when stock is bought, stored and sold in different measures; for example, cases and bottles.

N

Net	The amount that remains after all deductions have been made.
Net Book Value	The original value of the asset less any depreciation charged to date.

Net Profit	This is calculated as gross profit less expenses.
Net Realisable Value	The amount that would be received for the immediate sale of stock, after accounting for any costs associated directly with the sale.
Net Worth	The value of a business as represented by subtracting its liabilities from its assets.
Nominal Account	An account within the Nominal Ledger used to collect costs or revenue for inclusion on the Profit and Loss and/or Balance Sheet financial statements.
Nominal Ledger	This ledger is updated by most of the transactions posted in all ledgers. It is the core of the accounting process. The balances on all of the nominal accounts make up the Trial Balance. These values also make up the Profit and Loss and the Balance Sheet financial statements.
Non-productive	The job is not invoiced to anyone. The cost is recorded for the company's own reference only.
Non Traceable Item	Any stock item not set to use batch/serial numbers and therefore cannot be traced from purchase through to sales.
O	
On Hold Flag	An indicator that an account is in a query status for some reason. This prevents certain processing against this account until the flag is cleared.
Open Accounting Periods	Sage 200 now enables the system to have up to 20 accounting periods open at the same time. This status allows the Nominal Ledger to receive transactions from the source modules chosen. If more than one period is open at the same time, Sage 200 uses the date of the transaction to determine which open period will receive the posting.
Opening Balances	The balance of an account when it is initially opened, or the balance carried over from the previous accounting period (the closing balance).

Open Item Accounting

Open item accounting is probably one of the most widely used methods for computerised accounts. It enables all outstanding transactions to remain visible on the account record, until such time as they are allocated and removed when the period is closed. Transactions, such as invoices, paid when payments are posted to the ledger, can be specifically allocated to the individual transaction to which they relate.

Provided the whole outstanding transaction is allocated in this way, the Period End routine removes it, freeing disk space for new transactions. The details of the transactions however, remain on file until month end. All outstanding amounts, whether they are part allocated payments, disputed transactions or unpaid or part-paid invoices, remain on the ledger from one month to another, showing full details, until such time as they are fully allocated, and have exceeded the time limit denoted in the ledger setting 'Keep transactions for'. For more information see your *Sales Ledger* documentation and *Purchase Ledger* documentation.

Operating Currency

Although the Nominal ledger only operates in your base currency, the trading accounts and bank accounts can operate in other currencies, as long as these are set up in your currency table in the Accounting System Manager. The currency each account uses is called their operating currency.

Operating Profit

This is calculated from gross profit, less the expenses incurred in trade. It will be the same as the net profit unless the business has other income from investments or expenditure on loan interest. These items are not considered in calculating the operating profit.

Order Acknowledgement

Raised once an order has been received to confirm with the customer that you are able to fulfil the order. An order acknowledgement will show the items along with confirmation of prices.

Order Line

The requested goods or services in an order, covering standard items, free text items, additional charges and comments.

Order Processing	Activities based around administrating orders and seeing them through to shipment or production.
Overdraft	A bank facility that allows customers credit with the bank so that the customer can use money that they do not currently have available.
Overheads	Business expenses, such as rent, that are not attributable directly to any department or product and can therefore be assigned only arbitrarily.
Overtrading	Engaging in more activities than can be properly financed by the company. This can often lead to bankruptcy and liquidation.
P	
Paid Up Share Capital	That share capital for which all payments have been called up and made.
Payment Method	Used to define the payment types and capture payment values made at the point of sale within Sales Order Processing.
Payment Terms	These are the number of days agreed with a customer or supplier before an invoice must be paid.
Pending Transactions	Transactions that have not yet been posted to the ledgers. If a transaction is on hold (has an on hold flag entered against it) it remains pending until it is released for payment. See also Transaction Status.
Period	The accounting period associated with a transaction. This is usually a calendar month within a year.
Period Number	For all modules the period number is held relative to the start of the financial year. So if your financial year begins in April and you are in June, then the period number will be three.
Period End Routines	Specific processing routines required for each Sage 200 module, such as the Closed Period routine.

Phantom Item	An item created from a bill of materials (BOM). They are finished items that you would not sell to your customers or keep in stock. They are typically used to segment large BOMs and to assist in planning how to build a finished item.
Picking List	A list that can be printed to support the sales order despatch process. The list details the stock items and where they are stored.
POP	See Purchase Order Processing.
Posting	The processing of an accounting transaction.
Posting Accounts	These are the only types of account to which a posting may be made which is reflected in the trial balance and other financial statements. This includes all the accounts of the profit and loss and balance sheet.
Posting Date	<p>This is the date you post a transaction to the ledger or to the posting file. For example, if a transaction is posted to the waiting or pending posting file on one date and then updated to the ledger on another date, it is the first date which is classed as the posting date.</p> <p>Generally this is the same as the allocation date but if you give transactions an allocation date that is different from the system or today's date (for example, allocate the transactions retrospectively or put an account on hold), the posting date is the system date when the transaction is physically posted and so will be later than the allocation date.</p>
Prepayments	The process of deferring expenditure and income to the accounting period in which it is incurred. This usually involves setting up an asset on the Balance Sheet for bills paid in advance, and then releasing that asset by instalments to the accounting periods in which the service is provided.
Pre Receipt	Specific to batch/serial numbered items that are set to permit negative stock levels, allowing the item to be allocated when there is insufficient stock available. A pre receipt is, in effect, a shortfall for the item that is satisfied when more stock is recorded into Sage 200.

Price Band	A way of offering different sales prices on items to different groups of customers. You define the price bands and then specify which customers belong to each band.
Price Book	A Sage 200 module that allows extensive flexibility and control over prices and discounts.
Primary Location	Primary location point where a stock item is stored. The warehouse is the default primary location provided with Sage 200 when using multiple locations.
Product Group	A group of stock items of similar type and processing requirement.
Profit	The excess of revenues over outlays and expenses in a business.
Profit and Loss on Exchange	See Currency Adjustments.
Profit and Loss Financial Statement	A report that categorises the income and expenditure of a business over an accounting period. The profit (or loss) of a business is its income less its expenditure; profit is analysed, along with gross profit (sales less the cost of those sales) and net profit (all income less all expenditure, before and after tax has been deducted).
Pro Forma Invoice	A request for payment before a service has been carried out. Most commonly used for new customers or those who are potential bad debtors.
Provision for Bad Debt	An amount put by for those debts which may not be paid. It appears as an expense on the Profit and Loss financial statement and is deducted from the debtors control account.
Purchase Credit Notes	These are issued by suppliers in order to cancel purchase invoices either in full or in part. They are normally issued when goods or services are faulty or when the purchase invoice was incorrect.
Purchase Discounts	Purchase discounts may be given for a variety of reasons: buying in bulk, spending large amounts, being a preferred customer or settlement discount.

Purchase Invoices	These are issued by suppliers as a request for payment in respect of the supply of goods or services.
Purchase Ledger	The Purchase Ledger keeps track of all invoices, credit notes and discounts sent to you by suppliers. It can be quickly referred to if you want to find the current status of any of the supplier accounts. The total balance outstanding should equal the balance of the creditors control account in the Nominal Ledger.
Purchase Order Processing	The administrative functions based around processing purchase orders. Purchase orders are documents that state the quantity, description and price of goods and services ordered, agreed terms of payment, discounts, delivery and all other agreements pertinent to the purchase and its supply. The Sage 200 Purchase Order Processing module is where you can manage and track your purchase orders.
Purchase Payments	Payments made to suppliers in respect of invoices for the goods and/or services supplied.
Q	
Quick Ratio	The liquid or quick ratio is current assets less stock to current liabilities.
Quotation	A statement of the current market price of a security or commodity.
R	
Rapid Order Entry	A fast track method of order entry in Sage 200 Sales Order Processing system. Orders are quickly keyed into the system using default prices and discounts for the customer, which you can change if you have the appropriate user permissions to allow you to do this.
Ratio Analysis	Technique for analysis of the business by comparing selected figures from the accounts.

Reconciliation	The process of agreeing accounting entries from one source, with entries from another source. The most usual reconciliation is a bank reconciliation, which matches transactions posted against a bank account with the statement received from the bank.
Recurring Journals	Journals set up once in the Nominal Ledger, which run automatically each financial period thereafter, according to the financial period specifications which have been set for the journal.
Report Category	For final accounts production, this is used in conjunction with the category. A single character code determines whether the account is a profit and loss item (P) or a balance sheet item (B).
Reserves	Movements in the value of a business not made up directly from cash injections and withdrawals. Principally, they reflect the net profit or loss of a business, together with any unrealised changes in the value of its assets.
Retention	An amount of money retained by a customer for a specified period of time after a service has been provided, to ensure that if anything should subsequently go wrong then it will be rectified.
Retrospective Aged Creditors/ Debtors Reports	The Retrospective Aged Creditors and Debtors reports show outstanding balances on each account, aged over the periods specified, compared with a specific ageing date.
Returns	Goods returned to the business by a customer, or by the business to a supplier.
Revaluation	A calculation to find the current base currency value of a transaction carried out in a different currency. This calculation produces different results at different times because of fluctuating exchange rates.
Reverse Transaction	Entering the opposite details of a previously entered transaction, in order to negate the first transaction details on the Nominal Ledger. For example, this can be used to correct an error.

S

Sale or Return	Goods supplied on the understanding that if not sold on (by the customer/retailer) they may be returned without charge. Such transactions are best not recorded in the accounts, until the actual sales figures are known.
Sales Credit Notes	These are issued to customers in order to cancel sales invoices either in full or in part. They are normally issued when goods or services are faulty or when the sales invoice was incorrect.
Sales Discounts	Sales discounts may be allowed for a variety of reasons; for example, buying in bulk, spending large amounts, being a preferred customer or settlement discount.
Sales Ledger	The Sales Ledger keeps track of all invoices, credit notes and discounts sent to customers and all receipts received from customers. It can be quickly referred to if you want to find the status of any of the customer accounts. The total balance outstanding should equal the balance of the debtors control account in the Nominal Ledger.
Sales Order Invoice	VAT invoice sent to the customer, usually after goods have been dispatched. It lists the items received, including quantity, prices and any discounts.
Sales Order Item	A type of stock item, created and maintained in the Sales Order Processing module. There is no concept of stock quantity or stock level control associated with these items, and it is not possible to allocate these items.
Sales Order Processing	<p>The administrative functions based around processing sales orders. Sales orders are documents that state the quantity, description and price of goods and services ordered, agreed terms of payment, discounts, delivery and all other agreements pertinent to the sale and its supply.</p> <p>The Sage 200 Sales Order Processing module is where you can manage and track your sales orders.</p>
Sales Receipts	These are made when invoices are paid off by the recipient of the goods or services.

Secondary Location	Secondary location point where a stock item is stored. The bin is the default secondary location provided with Sage 200 when using multiple locations.
Serial Numbered Item	A standard stock item assigned serial numbers enabling single stock items to be traced from purchase through to sales.
Settings	Settings that control the way your Sage 200 modules operate.
Settlement	Concluding a sales or purchase contractual agreement by payment of the outstanding debt.
Shortfall	An item's stock level that falls below zero. This can occur when the item permits negative stock levels, allowing the item to be deployed when there is insufficient stock available.
SOP	See Sales Order Processing.
Source Modules	The Sales Ledger, Purchase Ledger, Cash Book and Stock modules are all referred to as source modules because they are a source for the transactions accepted by the Nominal Ledger.
Standard Item	Stock, miscellaneous, or labour or service item, used to specify goods or services required on an order.
Standing Order	A recurring bank transaction in which a specified amount is paid from the bank account to an expense account for a definite number of periods. Standing orders may include VAT and may be processed on a daily or ad hoc basis.
Stock	<p>The total goods or raw materials held by a business for the purpose of resale. Stock is valued in the balance sheet at the lower of cost or net realisable value.</p> <p>The Sage 200 Stock Control module is where you record stock details and track stock levels.</p>
Stock Unit	The unit of measure used to count the quantity of an item in stock.

Subcontractor	An individual who works on a job but is not employed directly by the company. There are two types of subcontractor: those who hold a certificate entitling them to handle their own income tax, and those who do not. Those with a certificate would not be set up on the company's payroll but would invoice the company direct and normally appear as a supplier in the Purchase Ledger. Those without a certificate would have their income tax deducted at source via the company's PAYE scheme. In both cases the cost of employing a subcontractor is charged directly to the job.
Supplementary Statistical Declarations	See Intrastat.
Surcharge	The opposite of a discount, resulting in an increase in order value.
Suspense Account	The nominal account automatically updated when an invalid account is specified for a transaction. It is also used when you are unsure what to do with a value. The suspense account can be used as a holding account until you decide what to do with the value. The balance on the suspense account should ultimately be zero.
T	
Tax	Tax, normally referred to as Value Added Tax in the UK or Irish VAT in the Republic of Ireland, may be applied to sales and purchase transactions in certain circumstances. These circumstances are described in the <i>Sage 200 Accounting System Manager</i> Documentation.
Time and Materials	The cost of the job is the value of materials and labour attributed to the job.
Traceable Item	A batch/serial numbered item enabling stock items to be traced from purchase through to sales.
Trade Counter Entry	Simple order entry in Sage 200 Sales Order Processing system. This is associated with over the counter sales. The customer picks the goods, pays immediately and you then ship the product.

Trade-ins	<p>An asset part-exchanged for another asset. This involves a sale and a purchase. The asset being sold has a net book value at the time of sale. If the selling price is more or less than this value, a profit or loss on sale is accounted for in the Profit and Loss financial statement.</p> <p>The selling price of the asset being disposed of is offset against the asset being acquired, the difference being paid to the supplier of the new asset.</p>
Trading Account	<p>Compares sales, stock used, and direct expenses to find the profit or loss made by simply buying and selling.</p>
Transaction	<p>A record of an exchange between one party and another, normally between your company and another company, usually a customer or a supplier.</p>
Transaction e-Mail	<p>A mechanism for sending and receiving order documentation using e-mail to support the order process in Sales Order Processing and Purchase Order Processing.</p>
Transaction Status	<p>Refers to the status of the transaction. Can be one of the following:</p> <ul style="list-style-type: none">Blank - nothing is allocatedPart - some of the transaction amount has been posted to the ledger.Full - all of the transaction amount has been posted to the ledger.
Trial Balance	<p>A list of all the nominal accounts at a given time, together with their net balances, shown as either a debit or a credit balance. The double entry book-keeping system, if completed correctly, requires that the total of all debits equals the total of all credits. The balances should always be equal.</p>

Triangulation

If you are using a foreign bank account but the payment or receipt currency is different to both the bank currency and your base currency, triangulation has to take place, via your base currency, to determine the exchange rate to be used for the transaction. The rate from each currency to the base currency is amalgamated to produce an overall conversion rate that is then used to convert the transaction amount.

When a transaction involves a transitional euro currency (a currency that has agreed to move to the euro but has, for example, three years grace to phase out the country's own currency) then the conversion must always be via the euro. The rate from each currency to the euro will be amalgamated to produce an overall conversion rate that is then used to convert the transaction amount.

Turnover

- (1.) The total sales figures for a company for a set period.
- (2.) The rate at which stock is sold and replaced.

U**Unique Reference Number (URN)**

The unique reference number assigned to a complete transaction to assist in tracing the progress of the transaction through Sage 200. This number is 12 digits long and comprises of: 3 digits for the user number, 2 digits for the source module in which the transaction was created, and a 7 digit sequential reference number.

Unit of Measure

The quantity in which a stock item is measured for purchase, sale or storage.

Unit Price

The price paid per unit of item purchased, or charged per unit of item sold.

Unpresented Cheques

Cheques paid out, which are passing through the bank clearing system, but have not yet been presented to the bank where the account is maintained.

Unquoted Investments

Investments not dealt in on a recognised stock exchange.

V

Valuation	Formal assessment of worth, for example, valuation of property.
VAT	Value Added Tax is applied to sales and purchase transactions in certain circumstances. These circumstances are described in the <i>Sage 200 Accounting System Manager User Guide</i> .
VAT Invoice	An invoice issued by a supplier registered for VAT showing the supplier's VAT registration number, the date of issue and the tax point.
VAT Outputs and Inputs	The HM Revenue and Customs department requires all businesses registered for VAT to account to them for all amounts of VAT charged on invoices (outputs) net of amounts incurred on purchase invoices (inputs).
VAT Receipt	A receipt showing the amount of VAT as a separate item, together with the issuer's VAT registration number.
VAT Registration Number	All businesses registered for VAT are given a registration number. This number must be printed on all invoices.
VAT Return	The form (both paper or online) where a company's VAT values are entered so that they can be sent to HM Revenue and Customs or your local tax authority.
VAT Tax Point	The date on which VAT eligible sales are completed.

W

Waiting Postings	Transactions that have not yet been posted to the Nominal Ledger. These can be updated using the NL 'Update Waiting Postings' routine.
Warehouse	Primary location point where a stock item is stored. The warehouse is the default primary location provided with Sage 200 when using multiple locations.
Working Capital	The excess of current assets less current liabilities.

Write Off

- (1.) To cancel a bad debt or obsolete asset from accounts.*
- (2.) To consider a transaction as a loss or set off (a loss) against revenues.*
- (3.) To depreciate an asset by periodic charges.*
- (4.) To charge a specified amount against gross profits as depreciation of an asset.*

X

XML

Extensible Markup Language file format. Sage 200 can import and export data in XML format.

Y

Yield

The annual income provided by an investment.

Z

Zero Rated

Denoting goods on which the buyer pays no VAT (tax) although the seller can claim back any VAT (tax) paid.



Appendix: CSV and XML Import

This appendix builds on chapters *Chapter 3, Establish and Maintain Supplier Records* and *Chapter 7, Manage Supplier Accounts*.

It details the specific database identifiers required to import both account (header) and transactions into the Purchase Ledger, as well as the file formats compatible with the import process.

Important Note: You can find the most up-to-date information about all of the import templates for Sage 200 in the *Import Template Information User Guide*, available in PDF format on your installation CD.

In this appendix:

Import accounts

Import transactions

Import Purchase Accounts

Use the Purchase Ledger Import routine to create new purchase accounts using another software package and bring them across into Sage 200 or from one Sage 200 data set to another.

Note: You cannot use the 'Import' routine to add information to an existing account. So for example, you cannot add address lines to an existing account. The 'Import' routine only writes new records for Sage 200.

To use the routine you need to:

- Prepare an import file
- Run the Import routine

Prepare the import file

You must prepare the import file in ASCII format. You can use:

- Comma Separated Value (CSV), using a text editor.

If you use CSV format to import information, you must include a file header defining the fields (identifiers) you intend to import. Then each new record must start on a new line and each value must be separated from the next by a comma.

You can use PurchaseAccounts.csv, which is the file template supplied with Sage 200 or build your own file using the identifiers defined below to prepare the import file.

- Extensible Markup Language (XML) using an XML editor.

If you use XML format to import information, each value must be separated from the next using tags <FIELD NAME> to define and start the identifier and </FIELD> to define and close the identifier, with the import entry defined between. For example:

```
<FIELD NAME="AccountNumber"></FIELD>.
```

Each record must be allocated its own line using <row> to start the record and </row> to close the record.

You must build your own file using the identifiers defined below to prepare the import file.

Note: You can amend the import layout. For more information see the Sage Report Designer tool. You can also amend the layout using any text-based editor.

Run the import routine

When you invoke the 'Import' routine you have the option to specify certain defaults for purchase accounts. They are:

- Nominal code
- Payment terms
- Account history length (keep transactions for)
- Country code

By leaving the relevant database identifiers blank in the import file the routine automatically applies the specified defaults to the purchase account for you.

The 'Import' routine has two options; you can choose:

- Validate only, to check the import file, or
- Validate and import records, to both check the import file and apply valid data to the Purchase Ledger.

During the validation process the routine checks the import file is correctly prepared. It checks the database identifiers are specified correctly and the data is compatible with existing data in your system's database, for example valid cost centres and departments.

The routine automatically prepares a report, which lists all accounts in the import file indicating successful and failed accounts. Failed accounts are annotated with a reason for their failure in the report. Use the report to identify failures.

Successful accounts are immediately applied to the Purchase Ledger if you have selected option validate and import records.

Import file identifiers

Notes:

1. The AccountNumber identifier is compulsory.
2. The remaining identifiers can be included in the import file (one identifier to one column).
3. You can use either - (hyphen) or _ (underscore) to link words in the identifier. The example below uses the hyphen.

Identifier	Format	Description and Comments	Required?
AccountNumber	Text 8 chars	Purchase Ledger account number.	Compulsory
AccountName	Text 60 chars	Supplier name.	Compulsory
ShortName	Text 8 chars	Short name for supplier.	Optional
AccountBalance	Number 15.2	Supplier credit limit	Optional
CreditLimit	Number 15.2	Supplier credit limit.	Optional
CurrencyISOCode	Text 3 chars	Currency code.	Optional
SYSExchangeRateType	Number 2.0	Exchange rate type defined in Accounting System Manager: 0 - Single 1 - Period	Optional
CountryCode	Text 2 chars	Supplier country code.	Compulsory
TaxRegistrationNumber	Text 13 chars	Supplier VAT registration number.	Optional
MonthsToKeep TransactionsFor	Number 2.0	Number of periods to keep customer transactions. Must not be greater than '36'.	Optional
DefaultOrderPriority	Text 1 char	Default priority when raising a POP order. Can be A - Z. A is the highest priority, Z the lowest.	

Identifier	Format	Description and Comments	Required?
DefaultNominalAccountNumber	Text 8 chars	Default nominal code for nominal postings	Optional
DefaultNominalCostCentre	Text 3 chars	Default cost centre for nominal postings.	Optional
DefaultNominalDepartment	Text 3 chars	Default department for nominal postings.	Optional
SYSAccountType	Number 2.0	Indicates the account type as follows: 0 - Balance forward 1 - Open item 2 - Automatic allocation	Optional
PLPaymentGroup	Number 2.0	Indicates the number of payment groups set up in system. Must be value between 0 and 10 if set up. If no payment group, value 11 is used.	Optional
EarlySettlementDiscountPercent	Number 5.2	Percentage default settlement discount. Must be between 0 and 100	Optional
DaysEarlySettlementDiscountApplies	Number 2.0	Number of days for which a discount is valid.	Optional
PaymentTermsInDays	Number 2.0	Number of days credit given. Must be between 0 and 255.	Optional
SYSPaymentTermsBasis	Number 2.0	Basis for ageing can be: 0 - Calendar monthly 1 - Start of month 2 - End of month 3 - Document date	Optional
TradingTerms	Text 30 chars	A description of the trading terms.	Optional
CreditReference	Text 60 chars	Credit reference number obtained from credit bureau.	Optional

Identifier	Format	Description and Comments	Required?
CreditBureau	Text 50 chars	The name of an existing credit bureau as defined in Accounting System Manager.	Optional
CreditPosition	Text 50 chars	The name of an existing credit position.	Optional
TermsAgreed	Number 2.0	Indicates if the supplier has agreed the credit terms. 1 - Terms are agreed 0 - Terms are not agreed.	Optional
AccountOpened	Text 8 chars	Date when account was opened.	Optional
LastCreditReview	Text 8chars	Date when a credit review was last completed for the account.	Optional
NextCreditReview	Text 8chars	Date when next credit review will take place for the account.	Optional
ApplicationDate	Text 8chars	Date credit reference application made.	Optional
DateReceived	Text 8 chars	Date credit reference application received.	Optional
AccountIsOnHold	Number 2.0	Indicates if the account is 'on hold'. 1 - Account is 'on hold' 2 - Account is not 'on hold'	Optional
ValueOfCurrentOrders InPOP	Number 5.2	Value of current orders in POP	Optional
DateAccountDetails LastChanged	Text 8 chars	Date account details were last amended.	Optional
DateOfLastTransaction	Text 8 chars	Date of last transaction.	Optional
EuroAccountNumber CopiedFromTo	Text 8 chars	Account number of euro duplicate account. This must not exist in Sage 200 before the import process.	Compulsory

Identifier	Format	Description and Comments	Required?
DateEuroAccountCopied	Text 8 chars	The date that the account was converted to a euro account.	Optional
UseTransactionEMail	Number 2.0	Indicates if Transaction e-Mail is in use. 1 - Transaction e-Mail is in use 0 - Transaction e-Mail not used.	Optional
TransactionEMail	Text 200 chars	Transaction e-mail address	Optional
ContactName	Text 60 chars	Supplier contact name.	Optional
TelephoneNumber	Text 20 chars	Supplier telephone number.	Optional
FaxNumber	Text 20 chars	Supplier fax number.	Optional
AddressLine1	Text 60 chars	Supplier account address line 1.	Optional
AddressLine2	Text 60 chars	Supplier account address line 2.	Optional
AddressLine3	Text 60 chars	Supplier account address line 3.	Optional
AddressLine4	Text 60 chars	Supplier account address line 4.	Optional
PostCode	Text 10 chars	Supplier post code.	Optional
AnalysisName\1	Text 50 chars	Analysis code.	Optional
AnalysisValue\1	Text 20 chars	Analysis code name.	Optional
AnalysisName\2	Text 50 chars	Analysis code.	Optional
AnalysisValue\2	Text 20 chars	Analysis code name.	Optional

Import Purchase Transactions

Use the Purchase Ledger Import routine to bring supplier transactions generated from another software package into Sage 200 or from one Sage 200 data set to another into your system. However you cannot use the Import routine to:

- Add information to an existing transactions.

You cannot add transaction dates to an existing transaction for example. The Import routine only writes new records for Sage 200.

- Import a foreign currency receipt of payment.

To use the routine you need to:

- Prepare an import file.
- Run the Import routine.

Prepare the import file

You must prepare the import file in ASCII format. You can use:

- Comma Separated Value (CSV), using a text editor.

If you use CSV format to import information, you must include a file header defining the fields (identifiers) you intend to import. Then each new record must start on a new line and each value must be separated from the next by a comma.

You can use PurchaseTransactions.csv, which is the file template supplied with Sage 200 or build your own file using the identifiers defined below to prepare the import file.

- Extensible Markup Language (XML) using an XML editor.

If you use XML format to import information, each value must be separated from the next using tags <FIELD NAME> to define and start the identifier and </FIELD> to define and close the identifier, with the import entry defined between. For example:

```
<FIELD NAME="ACCOUNT-NUMBER"></FIELD>.
```

Each record must be allocated its own line using <row> to start the record and </row> to close the record.

You must build your own file using the identifiers defined below to prepare the import file.

Note: You can amend the import layout. For more information see the Sage Report Designer tool. You can also amend the layout using any text-based editor.

Run the import routine

Successful transactions are applied to supplier accounts if you choose to validate and import records.

Transactions which result in nominal postings are added to the waiting postings file in the Nominal Ledger. They are subsequently applied to nominal accounts when you run the 'Update Waiting Postings' routine from the Nominal Ledger. Or if you are using 'Update Nominal Ledger on-line' (set in Accounting System Manager) within the Purchase Ledger the generated postings are applied directly to the Nominal Ledger.

The routine automatically applies a posting date of zero (0) to each transaction as they are posted to the Purchase Ledger. It also allocates a URN to any transaction if it finds the 'UniqueReferenceNumber' identifier for that transaction is blank.

Note: The nominal codes for the creditors control and the VAT control accounts are not needed in the import file as the system will automatically apply the nominal codes to the transactions for you.

The Import routine has two options; you can choose:

- Validate, to check the import file, or
- Create new records, to both check the import file and apply valid data to the Purchase Ledger.

During the validation process the routine checks the import file is correctly prepared. It checks the database identifiers are specified correctly and the data is compatible with existing data in your system's database, for example valid cost centres and departments.

Note: The routine does not check if transactions already exists in the Purchase Ledger.

The routine automatically prepares a report, which lists all transactions in the import file indicating successful and failed transactions. Failed transactions are annotated with a reason for their failure in the report. Use the report to identify failures.

Import file identifiers

Notes:

1. The AccountNumber, TransactionDate, SYSTraderTransactionType and ExchangeRate identifiers are compulsory for all types of transaction.
2. VAT - you can have an unlimited number of tax amounts. **VAT-GOODS/1**, **VAT-AMOUNT/1** and **VAT-CODE/1** are compulsory. If VAT is split over 2 VAT codes then **VAT-AMOUNT/1** and **VAT-CODE/1** and **VAT-GOODS/1** should have the information for one VAT code and **VAT-AMOUNT/2**, **VAT-CODE2** and **VAT-GOODS/2** should have the information for the other VAT code. The remaining VAT identifiers are optional.
3. Nominal Analysis - you can have an unlimited number of account numbers per transaction. **ANL-ACCOUNT/1**, **ANL-AMOUNT/1**, **ANL-COST-CENTRE/1** and **ANL-DEPARTMENT/1** are compulsory to ensure correct postings to the Nominal Ledger and the others are optional.

Note: The Tax and Nominal Analysis sections are not applicable if importing opening balances as this type of transaction does not affect the Nominal Ledger or VAT records.

Identifier	Format	Description and Comments	Required?
AccountNumber	Text 8 chars	Purchase Ledger account number.	Compulsory
CBAccountNumber	Text 8 chars	Cash Book account number. Must be a valid account number.	Optional
DaysDiscountValid	Number 2.00	Number of days settlement discount is valid for.	Optional
DiscountValue	Number 15.2	Amount of settlement discount on transaction.	Optional
DiscountPercentage	Number 15.2	Amount of settlement discount on transaction.	Optional
DueDate	Text 8 chars	Transaction due date. Format DDMMYYYY, for example, 24102006.	Optional

Identifier	Format	Description and Comments	Required?
GoodsValueInAccount Currency	Number 15.2	The goods gross value in the account currency.	Optional
PurControlValueInBase Currency	Number 15.2	The goods gross value in the base currency.	Optional
DocumentToBase CurrencyRate	Number 15.4	Exchange rate for the transaction to the account currency rate.	Compulsory
DocumentToAccount CurrencyRate	Number 15.4	Exchange rate for the transaction to the account currency.	Compulsory
PostedDate	Text 8 chars	Transaction posted date.	Optional
QueryCode	Text 2 char	Indicates if transaction is under query or not. Can be: F - Finance Charges U - Unauthorised Transactions W - Write Offs Any other character - your own	Optional
TransactionReference	Text 20 chars	First reference code.	Optional
SecondReference	Text 20 chars	Second reference code	Optional

Identifier	Format	Description and Comments	Required?
Source	Number 2.0	This indicates the module the transaction originated from. The various modules are: 1 - Sales 2 - Purchase 3 - Nominal 4 - Payroll (n/a) 5 - Job Costing (n/a) 6 - Stock Control 7 - SOP 8 - POP 9 - Invoicing 10 - Cash Book 11 - BOM (n/a) 12 - Fixed Assets (n/a) 98 - Ledger tax 99 - Ledger unknown source	Optional
<p>Note: You can use any value between 16 and 90 to indicate transactions originating from an external program other than Sage 200.</p>			
SYSTraderTranType	Number 2.0	Transaction Type: 1 - purchase payment (PP) 2 - purchase receipt (PR) 4 - purchase invoice (PI) 5 - purchase credit (PC) 6 - opening balance invoice 7 - opening balance credit note.	Compulsory
TransactionDate	Text 8 chars	The transaction date, for example, 24032006.	Compulsory
UniqueReferenceNumber	Number 7.0	Unique reference number for the transaction.	Optional
UserNumber	Number 4.0	User number for transaction.	Optional
TaxValue	Number 15.2	The tax value of the transaction.	Optional

Identifier	Format	Description and Comments	Required?
SYSTraderGeneration ReasonType	Number 2.0	This indicates the reason why an invoice or credit note has been created so the period balances are updated correctly. The code entered must be a valid code: 0 - Unknown (standard transaction) 1 - Finance Charge Interest 2 - Bad Debt Processing	Optional
NominalAnalysis TransactionValue/1	Number 15.2	Amount to post to each Nominal code specified on the 'Import' routine.	Compulsory
NominalAnalysis NominalAccount Number/1	Text 8 chars	Nominal account number to post transaction to.	Compulsory
NominalAnalysis NominalCostCentre/1	Text 3 chars	Nominal cost centre to post transaction to.	Compulsory
NominalAnalysis NominalDepartment/1	Text 3 chars	Nominal department to post transactions to.	Compulsory
NominalAnalysis NominalAnalysis Narrative/1	Text 60 chars	Analysis code name.	Compulsory
NominalAnalysis TransactionValue/2	Number 15.2	Amount to post to each Nominal code specified on the 'Import' routine.	Optional
NominalAnalysis NominalAccount Number/2	Text 8 chars	Nominal account number to post transaction to.	Optional
NominalAnalysis NominalCostCentre/2	Text 3 chars	Nominal cost centre to post transaction to.	Optional
NominalAnalysis NominalDepartment/2	Text 3 chars	Nominal department to post transactions to.	Optional

Identifier	Format	Description and Comments	Required?
NominalAnalysis NominalAnalysis Narrative/2	Text 60 chars	Analysis code name.	Optional
TaxAnalysisTaxRate/1	Numbers 2.0	Tax Rate code.	Compulsory
TaxAnalysisGoodsValue BeforeDiscount/1	Number 15.2	Net goods amount that tax is calculated on before discount.	Compulsory
TaxAnalysisDiscount Value1	Number 15.2	Discount amount.	Compulsory
TaxAnalysisDiscount Percentage/1	Number 5.2	Percentage discount.	Compulsory
TaxAnalysisTaxOn GoodsValue/1	Number 15.2	Tax value at this tax rate.	Compulsory
TaxAnalysisTaxRate/2	Numbers 2.0	Tax Rate code.	Optional
TaxAnalysisGoodsValue BeforeDiscount/2	Number 15.2	Net goods amount that tax is calculated on before discount.	Optional
TaxAnalysisDiscount Value2	Number 15.2	Discount amount.	Optional
TaxAnalysisDiscount Percentage/2	Number 5.2	Percentage discount.	Optional
TaxAnalysisTaxOn GoodsValue/2	Number 15.2	Tax value at this tax rate.	Optional

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