## The Editing Process

To put the reconciliation into Edit mode:

1. Click **Edit**.

2. The system will then revise the GL Balance by re-selecting all GL transactions up to and including the reconciliation date. Any new GL transactions that are unreconciled, and with a date on or before the reconciliation date will now appear in the left-hand list. These new transactions can then be reconciled in the normal manner.

3. Other transactions on the left-hand-side can also be reconciled – as long as they were not reconciled on a subsequent reconciliation. If they have been reconciled on a subsequent reconciliation, an error message will be displayed:
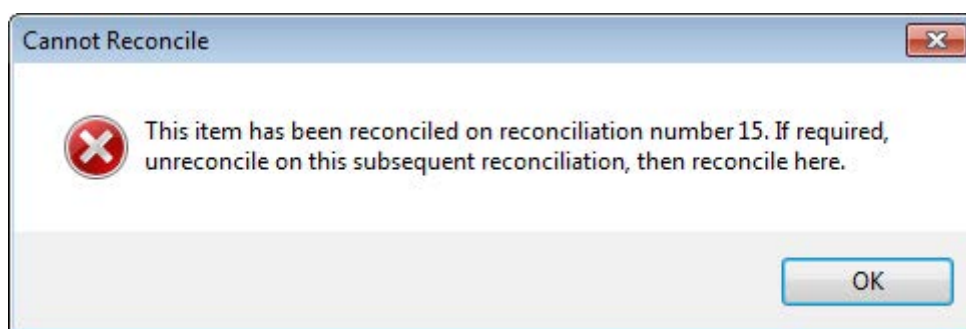
4. Transactions on the right-hand-side in manual mode (already reconciled) can be unreconciled (by double-clicking on them). The system will adjust the total unreconciled value and the closing bank statement balance as this activity takes place.

5. When all the changes have been completed, click **Save**. If this is not the last reconciliation, the system will go to the next reconciliation where you can continue to edit, or just save it.

Note: It is important to save, otherwise the GL bank balance and opening/closing bank statement balances on subsequent bank reconciliations will not be revised and the data will be incorrect.

Deleting Reconciliations

Utilities > Bank Reconciliation > {select the conciliation in the list} > Tools > Delete

To remove an existing Bank Reconciliation from the system, from the Bank Reconciliation window (see page 449), select **Tools > Delete Reconciliation**. This will also update the General Ledger transactions (see page 230) that have been flagged as being reconciled; it will set these to unreconciled.

If the reconciliation was a CSV reconciliation, all imported bank statement items will be removed from MYOB EXO Business's internal record (deletes records from the database table bank_rec_uploads). The actual import file will not be deleted.

Note: Only the last Bank Reconciliation for a given GL Bank account can be deleted.

Manual Reconciliations

Setting up a New Manual Reconciliation

Manual Reconciliations are bank reconciliations performed manually off a printed statement from the bank. This contrasts with a CSV Reconciliation (see page 461), where the reconciliation is performed against an electronic banking file provided by the bank.

To begin a manual bank reconciliation, the Manual reconciliation type must be selected.

To begin a new reconciliation, from the main Bank Reconciliation search/summary window, click **New**. The following window will be displayed:

Enter the relevant settings as follows:

- **GL Bank Account** will default to the Bank Account on GL Controls. The drop-down list will start from this account.

- **Enter new reconciliation number**. The reconciliation number will increment from the last number used, but can be changed, for example to match a bank statement number. It cannot be set to a reconciliation number that has been used previously for this GL bank account.

- **Select unreconciled GL transactions up to and including** is the reconciliation date. MYOB EXO Business will work out the GL balance as at this date and will only show unreconciled GL transactions (see page 230) up to this date. For example, if on the 10th of July a reconciliation form the month of June is begun, enter a reconciliation date of 30 June, and the system will obtain the GL balance as at 30 June, and display unreconciled transactions with a transaction date less than or equal to 30 June on the left-hand-side of the window.

- **Date of closing bank statement** is held for information purposes only, to easily identify which statement file was being reconciled.

- **Reconciliation type.** Choose **Manual** for a manual reconciliation.

Once the set-up information has been entered, click **OK** to display the details window.

Reconciling a Manual Bank Reconciliation

In manual mode, the left-hand-side of the window will show all unreconciled GL transactions, and the right-hand-side represents reconciled transactions (those that appear on the bank statement).

To show that a GL Transaction is reconciled:

1. DOUBLE-CLICK on a single item from the left-hand-side.

2. Alternatively select items by left-clicking the mouse while on the appropriate row, and if more than one item is to be selected, then hold down the **CTRL** key while LEFT-CLICKING. Click the **Reconcile** button from the toolbar.

Either method will move the item from the left-hand-side to the right-hand-side, and adjust the Bank Statement Closing Balance.

To undo a reconciled item DOUBLE-CLICK on a single item from the right-hand-side-hand-side.

This will transfer the item from the right-hand-side to the left and adjust the Bank Statement Closing Balance in the process.

Calculate Selected

The Calculate Selected function is to help the operator to work out which set of transactions on the left-hand-side agrees with which set of transactions on the right-hand-side.

To calculate selected item totals:

1. Select items on either side by left-click on the appropriate row. If more than one item is to be selected, hold down the CTRL key while clicking the appropriate row.

2. Click the **Calculate Selected** button on the toolbar. The system will sum the selected items and display these totals at the bottom of the window.

Searching for Transactions

The Search function is used to find certain transactions from either side of the bank reconciliation details window.

To search for items:

1. Click the **Search** button on the toolbar. The Search panel is displayed.
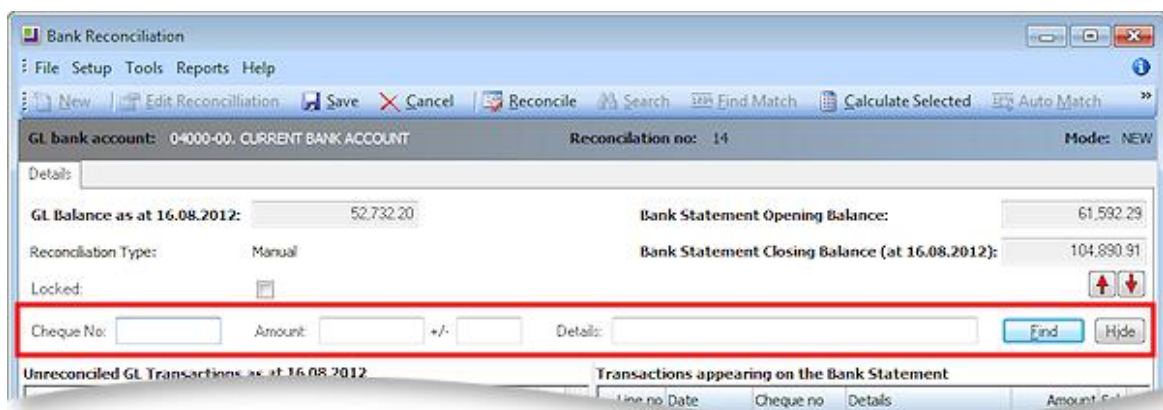
2. Enter the search criteria and click **Find**:

   - **Cheque No** is an exact match.

   - **Amount** is an absolute value, so 100.00 will find both +100.00 and –100.00.

   - **+/-** is a variance amount. So 10.00 +/- 0.05, would return values between 9.95 and 10.05, and those with values between –9.95 and -10.05.

   - **Details**. Enter details text here. Any entries that contain this text will be returned.

3. The system will search both sides of the reconciliation for transactions that match the criteria entered. The system is looking for transactions where Cheque No equals that specified and transaction Amount equals that specified +/- the variance and where the transaction's detail contains the Details text entered.

4. Matching transactions are displayed red, and the total number found is shown at the top of each column.

Unreconciled GL Transactions as at 27.09.11				4	
Seq no	Date	Cheque no	Details	Amount	Sel
3196	11.06.2011		Debtor Pymnt - 0. CASH ...	5.85	☐
3200	11.06.2011		0. MEG FOWL	317.81	☐
2960	12.06.2011		0. MAY WEST	693.90	☐
3204	16.06.2011		0. MARTIN BOWDEN	32.86	☐
2966	17.06.2011		0. ESTER BALL	227.53	☐
3210	18.06.2011		0. MONIE FARLOW	83.15	☐
3214	18.06.2011		0. FRED DALLON	83.15	☐
3750	19.06.2011		Debtor Pymnt - 1. KNIG...	68.24	☐
3753	19.06.2011		Debtor Pymnt - 1. KNIG...	12.50	☐
2972	22.06.2011		0. Dean Fuller	207.55	☐
3218	23.06.2011	3213464	16. TIMOTHY JACKSMAN	210.98	☐
2976	24.06.2011		0. DANIEL BETS	266.50	☐

5. Click **Hide** to remove the Search panel.

Adding and Removing Entries in the Bank Reconciliation

Cashbook Entries

The Integrated Cashbook (see page 298) is available directly from the Bank Reconciliation.

To make a cashbook entry:

1. Select **Tools > Make Cashbook Entry**.

2. If the transaction is dated on or before the reconciliation date, the transaction will be added to the list of unreconciled transactions on the Bank Reconciliation and the GL Balance that is being reconciling to will be adjusted for this Cashbook transaction.

Remove Items from General Ledger

If there are two or more GL transactions in the bank account that net to zero, they can be removed from the list of unreconciled GL transactions.

1. Select the transactions by holding down **CTRL**, while clicking on the appropriate rows.

2. Select **Tools > Remove from General Ledger.** These transactions will be removed from the list on the left-hand side. They will be flagged as "reconciled".

If the user attempts to remove transactions that do not net to zero, an error message is displayed:
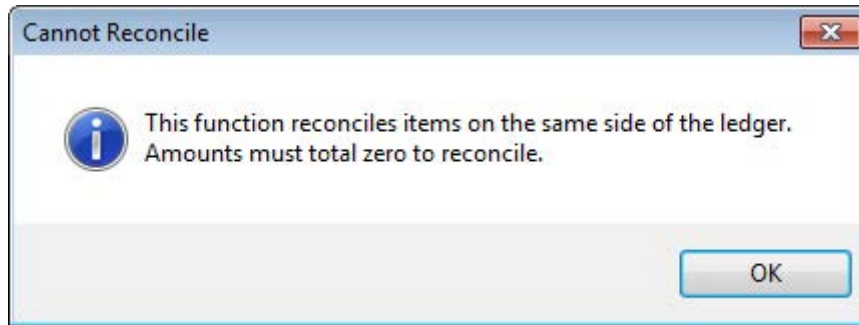
Removing Bank Statement items

If there are two or more items from the bank statement import file that net to zero, they can be removed from on the right-hand-side of the screen.

To remove bank statement items that net to zero:

1. Select the transactions by holding down **CTRL**, then right-click on the appropriate rows. Selected transactions will be highlighted, with the select box ticked

2. Select **Tools > Remove from Bank Statement**. These transactions will be removed from the list on the right-hand-side. They will be flagged as 'reconciled'.

Checking a Reconciliation

A Check Reconciliation function will perform a quick check that the current reconciliation balances, and a more detailed reconciliation report can be run

To run the Check Reconciliation function:

1. Select **Check Reconciliation** from the Tools menu. The following window appears:
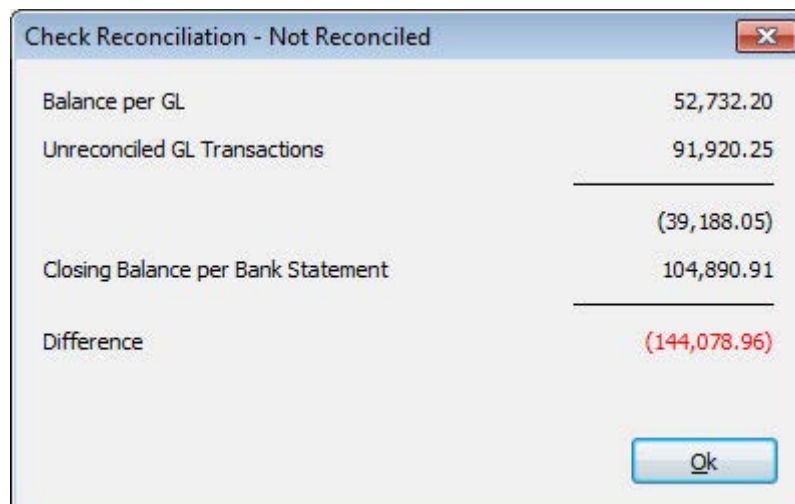
2. Click **OK** to continue.

A reconciliation summary report is available for printing.

> **Note:** In **CSV mode (see page 461)** the reconciliation will not be reconciled while there are still items on the right-hand-side

To create a bank reconciliation report:

1. Click on **Reports > Bank Reconciliation Details**.

2. The system will produce the following, based on the current reconciliation being viewed.
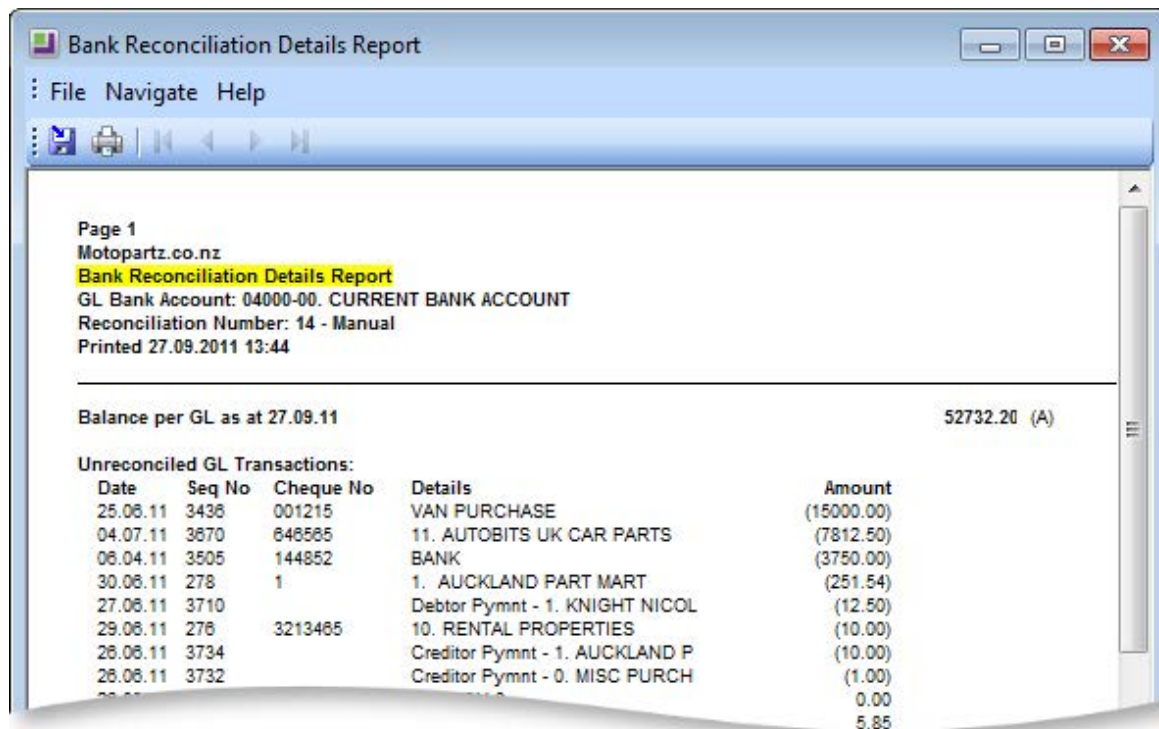
> **Note:** The report performs two integrity checks at the bottom of the form.

The report can be printed (using the 🖶 button on the toolbar), and can be saved to file using **File > Save As**. If saved in CSV format, the data can be retrieved into Microsoft Excel or similar for further analysis.

Closing the Bank Reconciliation

To complete a bank reconciliation:

1. Click **Save** to save the reconciliation. If the reconciliation does not balance the system will display the Check Reconciliation window (see page 459), to alert the operator that the reconciliation is not finished.

2. Alternatively, click **Cancel** to return to the search/ summary window without saving the new reconciliation.

> **Note:** Any Cashbook entries and AP Processing transactions that were created during the reconciliation cannot be undone by clicking **Cancel**.

The system will perform the following updates upon saving a new bank reconciliation:

*   Creates a new BANK_REC_LOG record

*   SEQNO New seq no generated

*   ACCNO The GL account number of the reconciliation

*   SUBACCNO The GL sub-account number of the reconciliation

*   RECONCILENO The reconciliation number entered

*   TRANSDATE The reconciliation date that was entered in "Select unreconciled GL transactions up to and including".

*   STMNT_OPENBAL From the window

- STMNT_CLOSEBAL From the window

- GL_BAL The GL balance displayed on window, i.e. sum(amount) all Gltrans where transdate <= reconciliation date (bank_rec_log.transdate) for this account.

- DEPOSITS Unreconciled debit GL Transactions. Sum of debits on LHS

- PAYMENTS Unreconciled credit GL Transactions. Sum of credit on LHS

- GLTRANS_SEQNO Set to the last GLTrans that makes up the GL balance on the window. This is last seqno of Gltrans where gltrans.transdate <= rec date on window for this GL account

- RECTYPE Manual

- STMNT_DATE New field. Set to the "Date of Closing Bank Statement", also displayed on window.

- LOCKED Per window. Yes/no

- GL_TRANS (updates to reconciled transactions)

- RECONCILE_SEQNO Updated with the seqno of the new bank_rec_log

- RECONCILE_NO From the window

- RECONCILED Set to 1 (meaning it's reconciled)

CSV Reconciliation

Setting up a New CSV Reconciliation

Utilities > Bank Reconciliation > [New] > {Configure then choose CSV File} > [Ok]

> **Note:** The following procedure assumes that the CSV file format has already been **set up according to the correct Bank Format (see page 469)**.

To create a new CSV reconciliation:

1. From the main Bank Reconciliation search/summary window, click **New** to create a new reconciliation. The New Bank Reconciliation window appears:

2. Enter the following information:

- **GL Bank Account** will default to the Bank Account on GL Controls. The drop-down list will start from this account.

- **Enter new reconciliation number.** The reconciliation number will increment from the last number used, but can be changed. It cannot be set to a reconciliation number that has been used previously for this GL bank account. To edit an existing bank reconciliation, see Editing (see page 453).

- **Select unreconciled GL transactions up to and including** is the reconciliation date. EXO Business will work out the GL balance as at this date and will only show unreconciled GL transactions up to this date. For example, if on the 10th of July a reconciliation for the month of June is begun, enter a reconciliation date of 30 June and the system will obtain the GL balance as at 30 June, and display unreconciled transactions with a transaction date less than or equal to 30 June on the left-hand-side of the screen

- **Date of closing bank statement** is held for information purposes only, to easily identify which statement file was being reconciled.

- **Reconciliation type.** Select CSV for a CSV reconciliation.

3. Click the ellipsis button [...] to browse to the import file that contains the bank transactions. The system will open the window to search for the import file. Select the file and click **Open**.

4. Having entered the setup information, click **OK**.

Performing a Bank Reconciliation

In CSV mode, the left-hand-side of the screen will show all unreconciled GL transactions, and the right-hand-side represents unmatched bank transactions from the import file. There are three ways to identify which item(s) on the left-hand-side matches to item(s) on the right-hand-side.

> **Note:** Before manually trying to find the matches, MYOB recommends using the **auto match feature (see page 463)**.

1. Double-click on a single item from the left-hand-side. The system will search for matching item(s) from the right-hand-side. These will be selected and shown in red.

> **Note:** It is possible that more than one match is found on the right-hand-side. If more than one match is found, you will have to determine which is the correct match, and deselect the incorrectly selected items on the right-hand-side.

2. Select an item from the left-hand-side, then click **Find Match** on the toolbar. The system will search for matching item(s) from the right-hand-side, and show these in red – as described above. (This serves the same purpose as double clicking on an item).

3. Manually select matching items by left-click on the appropriate rows. If more than one item is to be selected, then hold down the CTRL key.

To reconciled the selected items:

1. Having selected GL transactions and bank items, click **Reconcile**. This will remove all selected items from both sides. If the values do not match, an error message will appear:
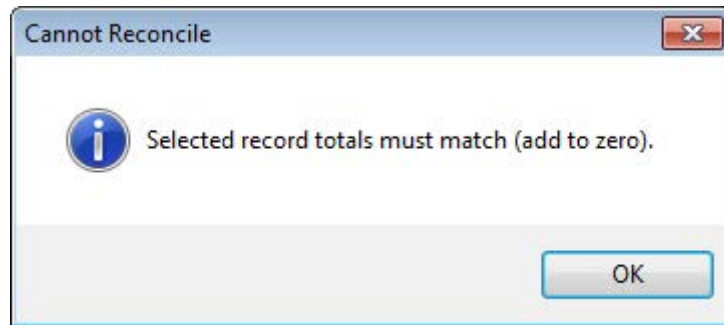
2. If only one item is selected from each side of the bank reconciliation, the SPACEBAR can be used to reconcile the items instead of clicking the **Reconcile** button.

Auto-Matching

The auto match function automatically finds matching records and allows the operator to reconcile these.

To automatically match records:

1. Click **Auto Match** on the toolbar. The following screen is displayed:

Item	Description
Date	Check this box if the match is to be based on transaction date. The date format of the items from the import file should be defined. The data on the file is in text format, so EXO Business needs to know how to interpret the date, i.e. which characters represent the day, month and year.
Cheque No	Check this box if the match is to be based on Cheque Number
Details	Check this box if the match is to be based on the details field of the GL transaction and bank items
Amount	The match will always be based on Amount. This cannot be unchecked; it is displayed here for information purposes to highlight the fact that the amounts have to match.

2. Having defined the basis for the match, click **Do Auto Match**. The program will now attempt to find GL transactions that match with imported bank items using all of the criteria defined by the user. The results will appear in the grid.

   The details from the GL transactions are displayed in white columns. Details of items from the imported bank statement file are displayed in grey columns.

   Note: That if a duplicate match is found (e.g. $100 found on left-hand side potentially matching 2 rows of -100 on the right-hand side) the match will not be returned.

3. Review the list to ensure the matches are correct. If a match is incorrect, select the row and click **Remove Match**. The row is removed from the grid and the items stay unreconciled.

4. To refresh the grid with new selection criteria, make the changes to the criteria, and click **Do Auto Match** again.

5. Once the list of matches has been reviewed and considered to be correct, click **Reconcile**. The system will display a confirmation message as follows: "Reconcile the listed auto matches? [Yes] [No]". Click **Yes** to continue the process. This will remove all listed items from both sides of the reconciliation.

6. Click the window's close button to close the window without reconciling the matched items.

To undo a previously reconciled item:

1. In CSV mode, reconciled transactions will disappear from the screen. To display reconciled transactions, select **Setup > Show Reconciled Items**. The system will then display reconciled items in blue.

2. To undo previously reconciled items, select the items and click **Reconcile** to restore the transactions to an unreconciled state.

Automatic Payments Process

The Automatic Payments Process is an optional feature of the Bank Reconciliation function when run in CSV mode (see page 462). This is an advantage when the company's Debtors pay their accounts directly to the company's bank account, and a unique Debtor code is provided. Automatic Payments from Debtors will appear on the bank statement file, and the Bank Statement transactions can be imported into a new CSV reconciliation.

The AP Process can then be run to pick up these Debtor payments, identify which EXO Business Debtor account the payment transaction relates to, and then create a payment/receipt transaction against that Debtor account. As it creates these payment/receipt transactions it will also produce the GL entry: DR Bank CR Debtors Control. The entry to the GL Bank account is 'reconciled' to the payment transaction from the import file.

The Automatic Payments Process is an optional feature of the Bank Reconciliation function when run in CSV mode (see page 462). This is an advantage when the company's Debtors pay their accounts directly to the company's bank account, and a unique Debtor code is provided. Automatic Payments from Debtors will appear on the bank statement file, and the Bank Statement transactions can be imported into a new CSV reconciliation.

The AP Process can then be run to pick up these Debtor payments, identify which EXO Business Debtor account the payment transaction relates to, and then create a payment/receipt transaction against that Debtor account. As it creates these payment/receipt transactions it will also produce the GL entry: DR Bank CR Debtors Control. The entry to the GL Bank account is 'reconciled' to the payment transaction from the import file.

Automatic Payments Process Setup

The following setup steps must be performed to use the Automatic Payments Process.

For the AP Process to be able to identify which MYOB EXO Business Debtor the payment relates to, it is necessary to establish a code that the Debtor will provide when they make payments to the company bank account. This code is entered on the EXO Business Debtors account - any text field can be used to hold this code, including Extra Fields (see page 23).

The field to be used must be identified on the Bank Format Setup window (see page 469) or in EXO Business Config at **Admin > Banks > Bank Formats (Reconciliation)**:

The Bank Format specifications (see page 469) must be set up to be able to interpret the data on the import file. In particular, the Automatic payment section of this form needs to be defined.

Automatic Payments Process Operation

To begin the CSV Reconciliation process:

1. Create a new CSV Bank Reconciliation in the normal way (see page 461).

2. Click **AP Processing** on the toolbar. A warning is given that the Bank Reconciliation has to be saved in order to continue. Click **Yes** to save.

3. The Process Automatic Payments window appears. By default, the system will display exceptions. Click on **All Transactions** to display both exceptions and successful matches.
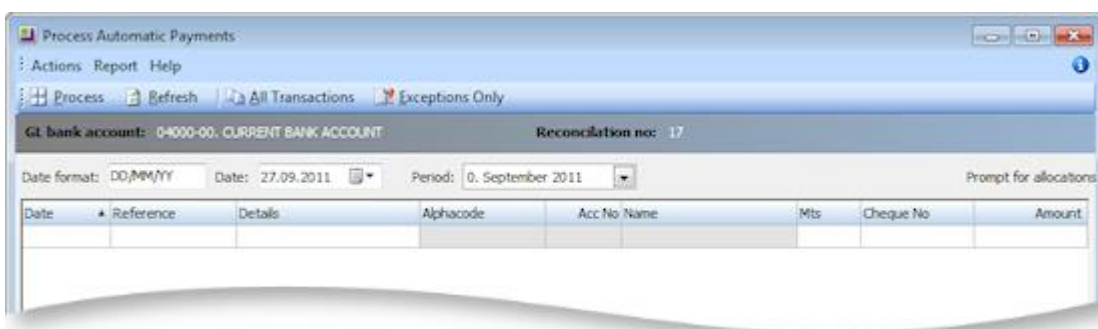
Matching is based on the **Reference** and **Match Field** columns:

- The matching of bank items from the import file and EXO Business Debtors is based on the value held in the **Reference** field of the import file, and the DRACCS field specified in **Bank Reconciliation > Setup > Bank Formats > Debtor Field to match**.

- Columns with a white background represent data from the bank import file.

- Columns with a grey back-ground represent data that has come from Debtors.

- Rows in Red text are receipt reversals, e.g. dishonoured Direct Debits.

- The grid displayed is an Exogrid, so includes the following properties:

  o Sort by any field by clicking on the appropriate column header.

  o Move columns for better comparison of the data.

  o Right-click to set visible columns, save settings or restore defaults.

  o Right-click and select **Find** to search for particular text or values.

Automatic Payments Process Exception Handling

Exceptions are items where the system couldn't find the matching Debtor account, or it found more than one matching Debtor account.

- Click **Exceptions Only** on the Process Automatic Payments window to list the exceptions only. When the AP Process first starts, the grid will display exceptions only.

- Click **All Transactions** to display both exceptions and successful matches.

- To obtain a report of exceptions click **Report > Exception Report**.

Duplicates

Duplicate items are those where the system has found more than one Debtor that matches the code in the Reference field from the import file. These are highlighted in the bank reconciliation by showing **Duplicate** in the Debtor name field. In the above example a duplicate is found for "TRENT".

To correct duplicate exceptions:

1. Either double-click on the affected line, or select the line and click **Duplicate Search**.

2. The Debtors Account Search window will be displayed already populated with the results of a search based on the text from the **Reference** field. In the following example, the search was performed on "TRENT".

Review the search results and double-click to select the correct Debtor to which the payment/receipt should be applied. The system then updates the grid with these details.

Account Not Found

If the system cannot find a Debtor account that the payment/receipt relates to, the Debtor account number, name and matching field will be blank.

To correct Account Not Found issues:

1. Process the successful APs (see page 467).

2. Return to the main Bank Reconciliation screen.

3. Identify the item on the right-hand side.

4. Double-click to make a Cashbook entry, and code the payment to the correct Debtor account.

Automatic Payments Process Performing the Update

Once the list of APs with matching debtor accounts has been reviewed, the operator can process the work.

1. To manually allocate reversed payments, check the **Prompt for allocations** box on the Process Automatic Payments window.

   Note: This only applies to payment reversals (e.g. dishonoured Direct Debits). It does not apply to normal APs (payment/ receipt transactions).

2. To start the processing, click **Process**. The system will display the following confirmation:

   Automatic payments processed successfully (GL Batch No 1322)

3. Click **OK**.

4. If the **Prompt for allocations** option is ticked, the system will display the Debtor Transaction Allocation screen for each payment reversal. Manually allocate the new transaction.

The Effect of Processing Automatic Payments

This section describes what happens behind the scenes once the Automatic Payments process occurs.

Automatic Payment value matches an outstanding invoice.

If the value of the Automatic Payment matches the value of an outstanding invoice in the matching debtor account, EXO Business will automatically allocate the Automatic Payment to that invoice.

Automatic Payment value doesn't match any outstanding invoice

If the value of the Automatic Payment doesn't match any of the outstanding invoices in the matching debtor account, EXO Business will create an unallocated payment/receipt transaction for the Debtor.

Payment/Receipt Reversals

Payment/receipt reversals (e.g. dishonoured Direct Debits) will appear on the Transactions tab for the Debtor account (see page 125).

   Note: The **Allow Part Allocation in the Bank Rec AP** and **Auto Allocate Bank Rec AP to Latest Invoice** profiles can be enabled if required.

General Ledger Journal

For each Automatic Payment the system generates a General Ledger journal DR Bank CR Debtors Control. For payment reversals, this is CR Bank DR Debtors Control. This entry is posted automatically; there is no need to run the Debtors to GL posting utility.

Effects on the Bank Reconciliation

Returning to the main Bank Reconciliation screen, having completed an Automatic Payment Process, there will be some differences.

- The Automatic Payment items from the right-hand-side of the Bank Rec will be cleared off. These are now 'reconciled' to the newly created GL transactions.

- The GL Balance as at dd/mm/yy will be updated with the value of the newly created GL entries.

- The newly created GL transactions representing the Automatic Payments will be 'reconciled' therefore they do not appear on the left-hand-side of the reconciliation.

Bank File Format Setup

Bank File Format

If Bank Reconciliation is to be run in CSV mode (i.e. the bank's data will be imported into the reconciliation then matched to GL transactions), it is necessary to set up a Bank Format record. This is a definition of how to interpret the data on the import file; which position holds the date, the amount and so on.

There is one Bank Format for each GL Bank account. When running the bank reconciliation in CSV mode, the system will pick up the appropriate Bank Format based on the GL Account entered in the set-up window for a new CSV reconciliation.

Bank File Format

If Bank Reconciliation is to be run in CSV mode (i.e. the bank's data will be imported into the reconciliation then matched to GL transactions), it is necessary to set up a Bank Format record. This is a definition of how to interpret the data on the import file; which position holds the date, the amount and so on.

There is one Bank Format for each GL Bank account. When running the bank reconciliation in CSV mode, the system will pick up the appropriate Bank Format based on the GL Account entered in the set-up window for a new CSV reconciliation.

Bank File Format Setup

Bank formats are set up on the Bank Formats window (**Setup menu > Bank Formats**), or in EXO Business Config at **Admin > Banks > Bank Formats (Reconciliation)**.
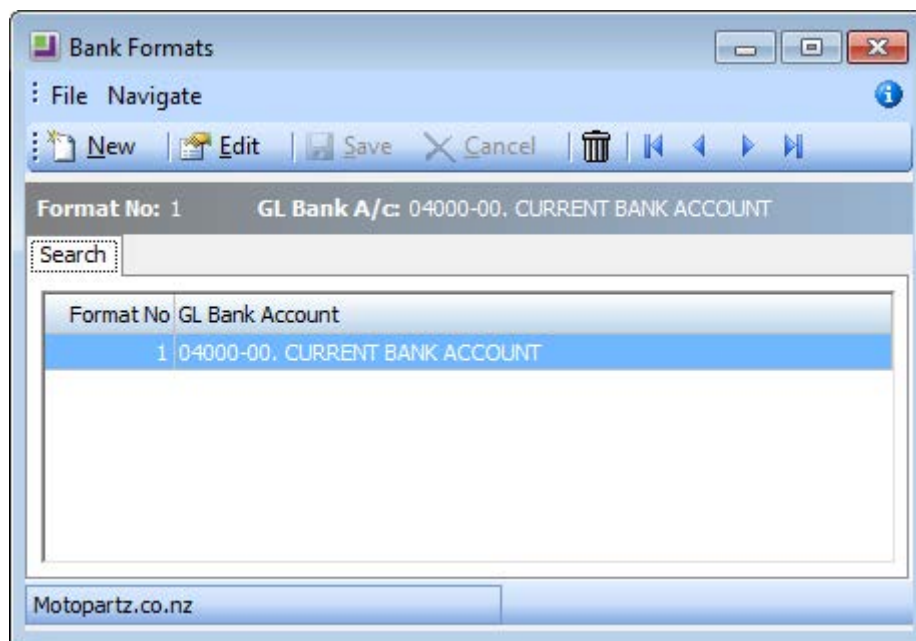
To create a new Bank Format record:

1. Click **New**. The Bank Format Details tab is displayed:

2. Enter the format number (this will automatically select a sequential number) and GL Account number for the bank account.

3. Complete the remaining details according to section Bank Format - Details Screen.

To delete an existing Bank Format record, click the 🗑 button on the toolbar. The system will prompt for confirmation of the delete request.

To edit an existing format, click **Edit**, or double-click to edit an existing record. The Bank Format Details tab is be displayed.

Creating a New Bank Format

To create a new bank format, click New, a sequential format number will be automatically assigned. This can be manually overwritten though. Complete the remaining fields using the table below as reference.

Field	Description
Format no:	Unique identifier of this record. Can be defined on entry of a new Bank Format. This number is automatically assigned, but can be manually overridden.
GL Bank A/c	The General Ledger account and sub-account that represents the bank that is to be reconciled. Choose the GL bank account for this format by entering it here. You can search for this by clicking in this field and pressing the TAB key (illustrated above), double click the selection or highlight and click the **Select and Close** button.

Column Positions (These are the column numbers in the Unreconciled Items from the Bank statement table)

Note: Each column position must be unique

Transaction Date	The field number on the import file that holds the transaction date.
MTS	The field number on the import file that holds the MTS code
Cheque Number	The field number on the import file that holds the Cheque Number
Reference	The field number on the import file that holds the transaction's reference
Details	The field number on the import file that holds the transaction details
Particulars	The field number on the import file that holds the transaction's particulars

Amount (Only one of these two options can be selected by enabling the radio button)

Total	Select this if the amount (positive and negative) is held in one field position. Having selected this, enter the field number on the import file that holds the amount
Credit Debit	Select this if the positive and negative amounts are held in different positions on the import file. The next 2 field are the field number on the import file that hold the Credit and Debit amounts respectively.

Number of rows to skip when loading a file

Header rows	This is the number of rows at the top of the import file that should be ignored. These rows will not contain bank transactions
Footer rows	This is the number of rows at the bottom of the import file that should be ignored. These rows will not contain bank transactions

Automatic payment

|	
MTS receipt	This field will contain all the MTS codes for bank receipts that the system should look for when determining whether a bank transaction is to be included in the Automatic Payments Process. Up to 10 values can be entered here, separated by commas.
Debtor field to match	Select a field from the DRACCTS table that this system will use to identify the matching Debtor account for Automatic Payments (see page 464). During the AP Process, the system will read the Reference field from the import file and attempt to look up the Debtor account based on the field identified here.
MTS reversals	This field will contain all the MTS codes for reversals of bank receipt that the system should look for when determining whether a bank transaction is to be included in the AP Process. Up to 10 values can be entered here, separated by commas.

Example

The following is a sample file that could be read by the above Bank Format specifications:
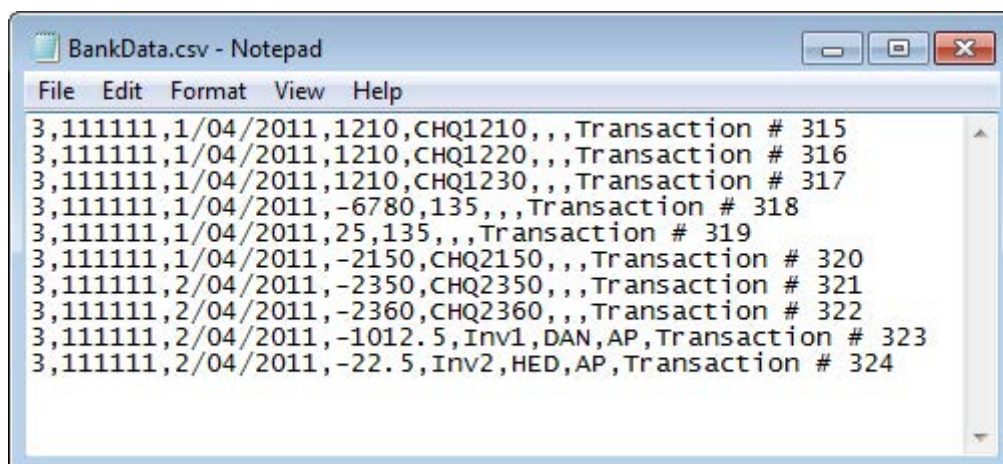
Foreign Currency Bank Accounts

Bank Reconciliation can be run for foreign currency bank accounts. This is where the **Currency** on the GL account is set to something other than the local currency.
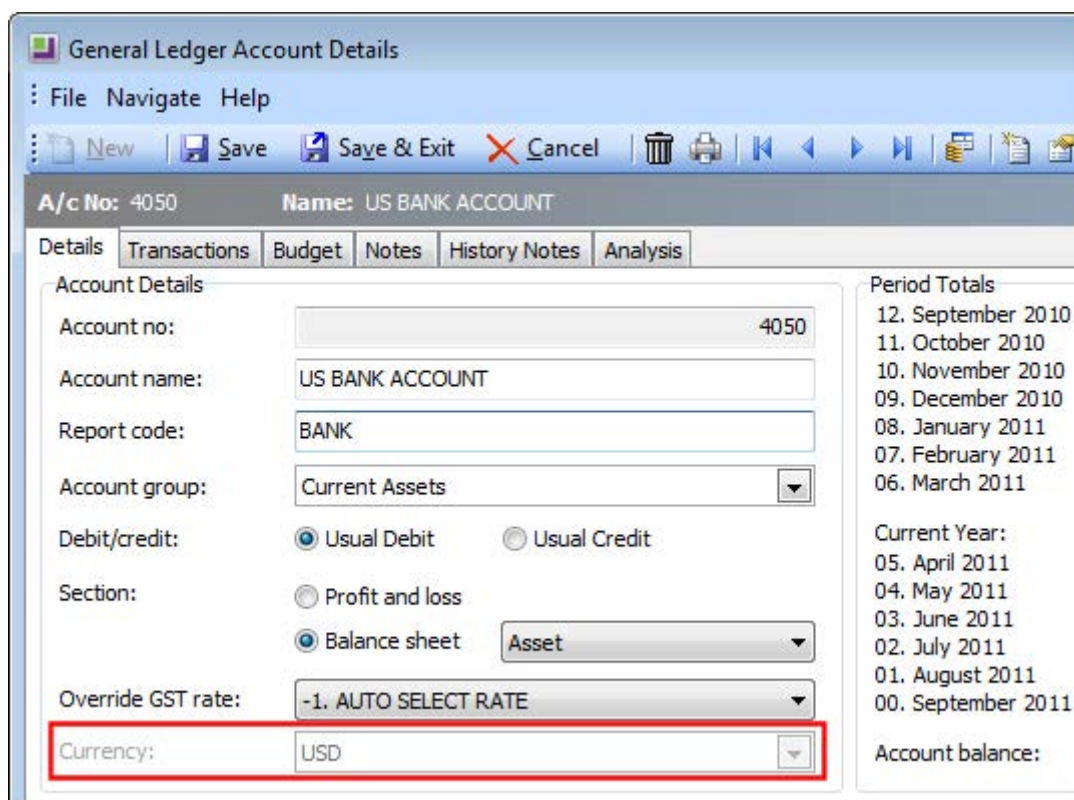
This section only describes the differences in Bank Reconciliation that occur when running it for between foreign currency bank accounts. The Foreign Currency section (see page 291) should be read to understand all functionality provided.

To perform a Bank Reconciliation with a foreign currency:

1. When creating a new reconciliation, having specified the GL Bank account, the system recognises that the account is in foreign currency and makes appropriate changes, e.g. **Foreign** columns become available.

2. The following fields are now displayed in foreign currency:

    - GL Balance

    - Bank Statement Opening Balance

    - Bank Statement Closing Balance

    - Total unreconciled items (bottom of left hand section)

    - Total items on bank statement (bottom of right-hand section)

3. For individual items listed in the grid, the system also displays the local currency value of each transaction. Items 'reconcile' or match, if the foreign currency amounts agree.

Cash Book Entries with Foreign Currencies

Cash book entries must also recognise the foreign currency exchange rate.

To create a cash book entry with a foreign currency:

Utilities > Bank Reconciliation > [New] > Tools > Make Cashbook entry

Enter the transaction as normal, except now the Exchange Rate will be entered:

If the date of the Cashbook entry is on or before the reconciliation date, the transaction will now appear in the left-hand list (as unreconciled). The GL Balance will also be updated to reflect the new transaction.

Creditors Payment Processor

The Creditors Payment Processor function enables you to process cheque or direct credit payments for creditors either singularly or in a batch. The Payment Processor prints the cheque, the remittance advice and allocates the payment against the account in one complete process. In the case of direct credits, the Payment Processor does not process a cheque. Instead it creates a file to be loaded into your desk banking program. The file for your specific bank should be loaded in the set up. The remittance advice can be e-mailed to a supplier when you have this set up.

A cheque can be printed for a one-off payment using the manual cheque printing option in the Payment Processor. The manual cheque function has the capability to issue refunds to debtors. A debtor refund is used for example, in the case of an overpayment by the debtor.

The Payment Processor has the ability to calculate prompt payment discounts on invoices being paid and deduct that discount from the payment. The Payment Processor interacts with the creditor authorisation function within MYOB EXO Business. The release for payment is affected when this option is enabled within EXO Business and therefore must be used in conjunction with the staff login features (see page 20).

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Setting Up Payment Processor

When the Payment Processor is started, the following main screen is displayed:

When using the Payment Processor for the first time, you need to set up general information before proceeding with the program.

Select **Utilities > General Setup**. The following window is displayed:

The following configuration options are available on this window:

| Field	Description
Print Remittance when paying by D/C	Check this box to enable the printing of remittance advice notes for surface mail to the creditors.
Email Remittance advice to Creditors	Check this box to enable e-mailing of remittance advice notes to creditors. E-mailing remittance advice requires an external e-mail account set up on the machine that runs the Payment Processor. The user also needs the e-mail address set up in the Creditors Account Details (see page 106) window.
Show email before sending	Check this to display the email on the screen before sending this to the creditor.
Show foreign currency warning	Highlights any foreign currency creditor payments in red and displays a warning that the current selection contains foreign currency creditors.
Consolidate D/C to General Ledger	If you intend a batch processing of direct credits to creditors, check this checkbox to allow the Payment Processor to make one entry into the General Ledger, for that list of payments. The General Ledger account is the bank account that is updated with the consolidated entry. This consolidation is posted to the current period in the General Ledger.
Allow selection of GL Acc	Tick to specify the Direct Credits GL account.
Use Mailshot for printing and emailing remittance when paying by D/C	Check this box to launch the Mailshot window (see page 528) after processing Direct Credits (see page 486).
General ledger account for D/Cs	Specify the account you use for Direct Credits. Only active if the **Allow selection of GL Acc** checkbox is ticked.
Use Separate Cheque Report	Check this box to allow the printing of cheques on one sheet and remittance advices separate forms (as opposed to a combined "tear-off" cheque and remittance document on one form). **Note:** If the **Use Separate Cheque Report** option is selected, the **FinPPSeqChqRep.CLF** Clarity form is used, as well as the standard **FinChqWr.CLF**.
Cheques per Page	This option is used in conjunction with the printing of cheques separate from the remittance. It determines how many cheques can be printed at the same time. For example an A4 sheet of paper may contain 3 individual cheques. This requires the **Use separate check report** option to be checked.
First cheque number	This is only available when the **Reset** button has been clicked. Enter the start of the range for the cheques to be used.
Last cheque number	This is only available when the **Reset** button has been clicked. Enter the end of the range for the cheques to be used.

Reset	The **Reset** button allows the entry of the range of the cheques being used. If a cheque inside that range exists in the creditor's database, the range is rejected.

Setting up Bank File Formats

Before processing Direct Credits or Direct Debits, bank file formats must be set up for Creditors and Debtors.

To set up the file format of a bank output file:

1. In EXO Business Config, go to **Admin > Banks > Debtors (Direct Debit)** or **Admin > Banks > Creditors (Direct Credit)**.

2. Click **New** to create a new bank format.
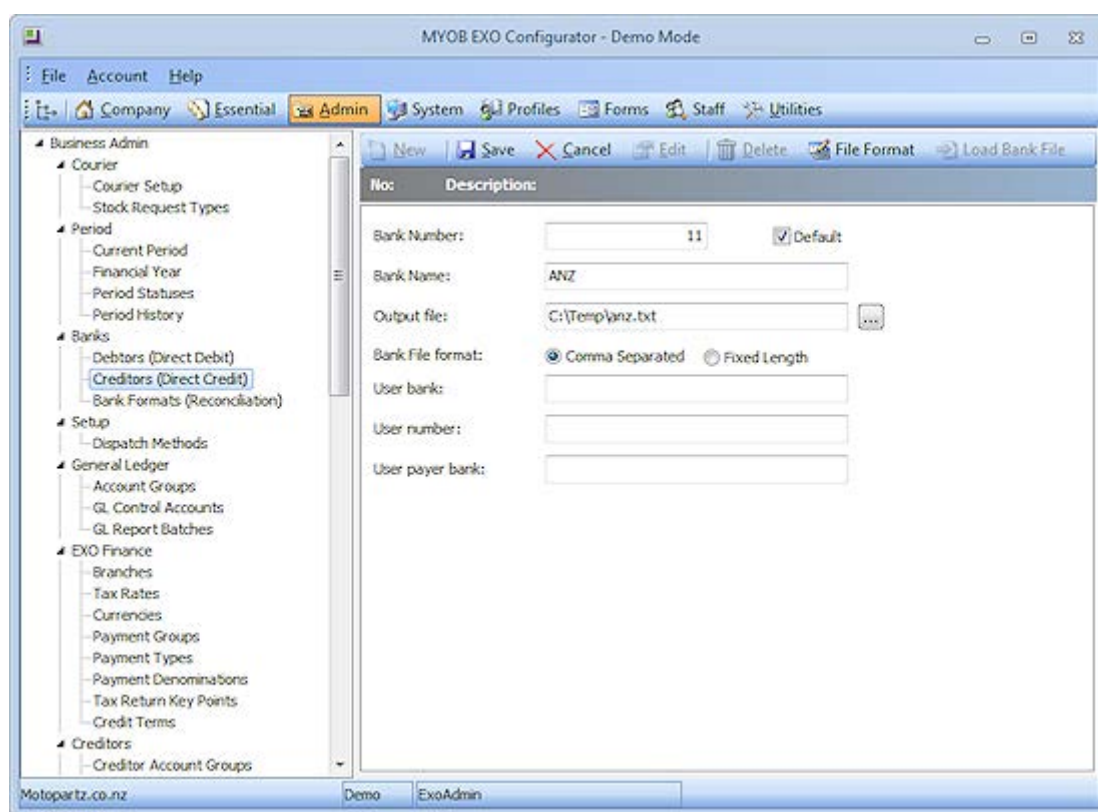
3. Enter a bank number. If this is the default format check the **Default** checkbox. Enter a name in the **Bank Name** field. Specify the output file and the file format: CSV or fixed length. For Direct Credit file formats, enter the user bank name, user number and user payer per bank fields.

4. Clicking the **File Format** button displays a line-by-line illustration of how the file will be created:

For existing bank format entries, double-click on a row to show the bank name, whether it is the default bank, the location that the file will be sent to, and the structure of the file.

> **Tip:** MYOB EXO Business holds commonly used Bank Formats on the partner web site. These can be downloaded, and then imported into Bank File Formats. This will save time in setting-up the file details. However, once the details have been imported, they may have to be adjusted to meet particular requirements. To load a standard file from the website into the bank setup, click the **Load Bank File** icon.

Setting up Lists

Creditors can be grouped together into lists for the purpose of selecting which Creditors to pay. For example, Creditors that must be paid early can be put into a special list. This grouping is different from Account Group, which is held on the Creditor account.

To create new account lists, select **Setup Account Lists** from the Utilities menu in on the Creditors Payment Processor. The following screen is displayed:
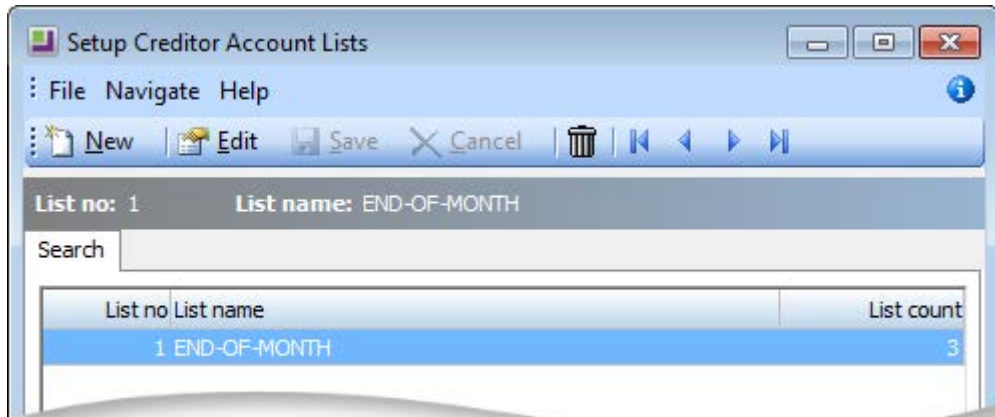
To create a new list:

1. Click **New**. The following window appears:
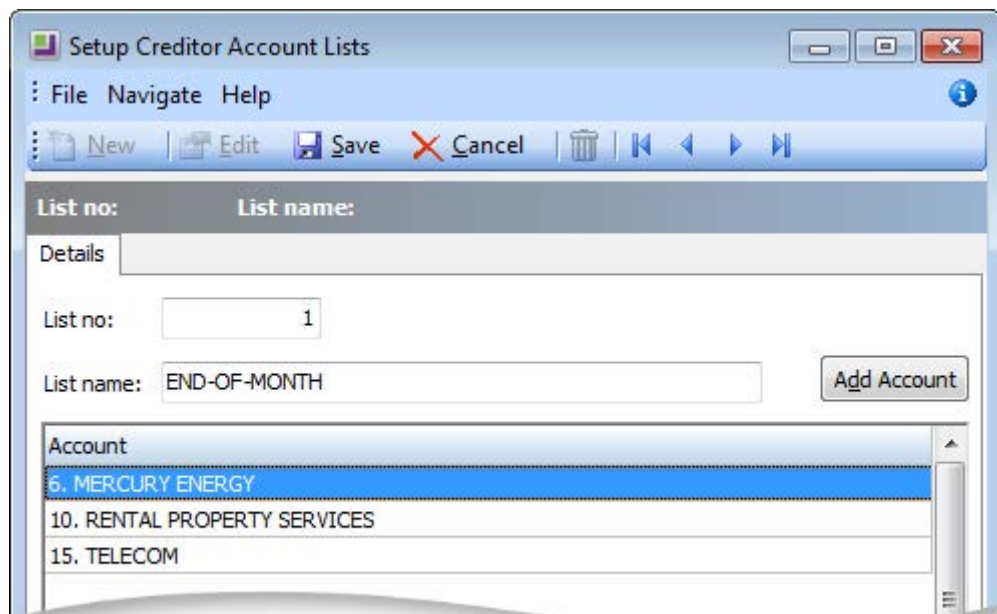
2. Enter the name for the new list.

3. Click **Add Account** to add Creditors to the list.

4. Choose the Creditor from the **Account Search** window and click **Select & Close** or double click to select this Creditor. Repeat steps **3** and **4** until all the required Creditors have been added to the list.

5. Once all Creditors have been added to the list, click **Save**.

Editing and Deleting List Items

To edit or remove items:

- To edit an existing item on the list, select the item and click **Edit**, or double-click on a row to view and edit.

- To remove a list, select the list and click the 🗑 button.

- To remove a Creditor account from the list, press CTRL+DEL and click **OK** to confirm the deletion of this record.

    Note: This only deletes the Creditor from this list - it does not delete the Creditor record completely.

Batch Payment Process

Batch Processing involves setting up and processing a batch of payments to a number of creditors.

The payments are based on outstanding creditor invoices. So the key task is to select which invoices are to be paid. This selection is based on user-defined criteria, which would include selecting invoices that are due up to a certain date. Invoices must also be released before they can be paid, and the creditor's account must be set to a **To Be Paid** status before a payment will be generated to settle the outstanding invoices.

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Selecting Creditor Transactions to Pay

To select the creditors to pay:

Select **Account > Creditors Payment Processor**, or from the MYOB EXO Business menu select **Transactions > Creditor Payments > Creditor Payment Batch Processing**. The following window appears:

Enter the criteria for selecting invoices to pay:

Enter the Creditor account name and press ENTER if only one Creditor is to be paid, (or use '?' and ENTER) if all the Creditors are to be paid.

- Credit status and Account Group are from the Creditor Account

- User A/c list is a previously defined user list (see page 477).

- Due By date will determine which invoices will be selected. Only invoices with a payment due date less than or equal to Due By will be selected for payment.

- The **Pay By Cheque** or **Direct Credit** options select Creditors based on the Default Payment type on the Creditor Account, e.g. the following account has a cheque default payment type.

Once the selection criteria have been entered, click **Search**. The main grid will be populated with the creditor accounts that meet the selection criteria.

Release Invoices for Payment

A 'payable' invoice is one that is not held and is due. The release of invoices can be done at an account level on the Creditors Accounts tab, or against specific transactions on the Transactions tab.

To release or not release ALL payable invoices on ALL displayed account, on the Creditor Accounts tab:

- Click the **Release All** button on the toolbar to set ALL payable invoices on all displayed Creditor accounts to RELEASED.

- Click the **Release None** button on the toolbar to set ALL payable invoices on all displayed Creditor accounts to NOT RELEASED.

To release or not release all the payable invoices on a specific Creditor, select the Creditor from the grid on the Creditor Accounts tab, then right-click to display options to release or hold all invoices for that account:
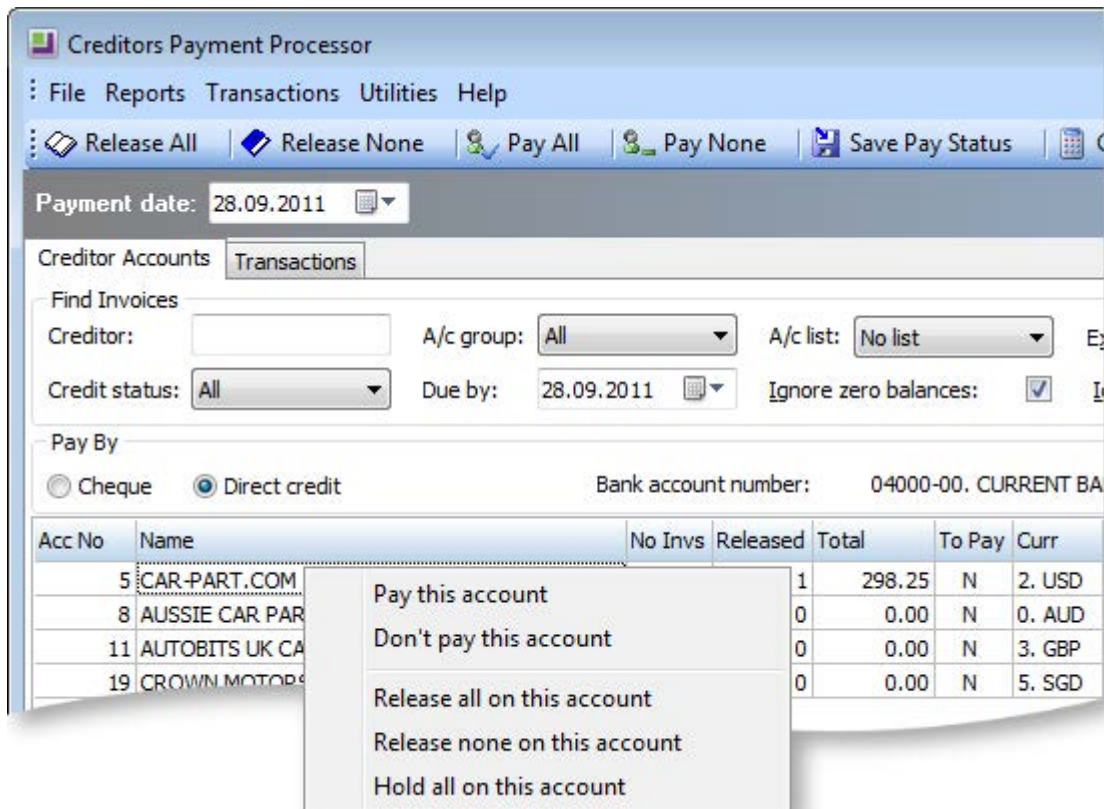
The options listed will affect all payable invoices for the selected account.

Controlling Individual Invoices

Alternatively, individual invoices for a specific account can be controlled.

1. Double-click on a row and the system will display the invoices for the selected Creditor on the Transactions tab.


2. To release, not release or hold ALL payable invoices on the selected Creditor, on the transaction tab:

   • Click the **Release Al**l button on the toolbar to set ALL payable invoices on the selected Creditor to RELEASED.

   • Click the **Release None** button on the toolbar to set ALL payable invoices on the selected Creditor to NOT RELEASED.

   • Click the **Hold All** button on the toolbar to set ALL payable invoices on the selected Creditor to HELD

3. To change the release status of individual invoices, select the row, then either use the SPACEBAR to move through the statuses, or right-click and select the required status from the pop-up menu.

Paying Part of an Invoice

To part pay an invoice:

1. Select the invoice that is to be part-paid.

2. Right-click on the selected line, and chose the Part Allocate option, or choose **$Amount** or **Percentage** radio button, and click the **Part Allocate** button.

3. A prompt to enter the part allocation amount will be presented. Enter the dollar amount or the percentage that is to be paid, depending on the option selected.
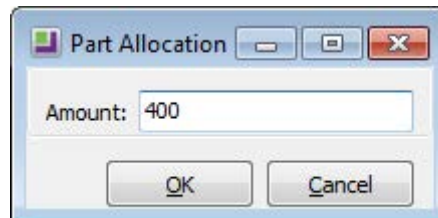
4. Click **OK**. The transaction grid will be updated to reflect the allocation entered, e.g.

Date	Invoice No	Reference	Amount	Amount to Pay	Release Status	Ref 1	Ref 2
11.08.2011		Invoice	614.14	400.00	RELEASED	10070	
11.08.2011	31346	Invoice	614.14	0.00	NOT RELEASED	10071	
18.08.2011	100225	Invoice	877.26	0.00	NOT RELEASED	10015	

Change Authorisation

Invoices may be 'un-authorised' if the value exceeded the entry clerk's authorisation limit. An invoice cannot be released until it has been authorised.

To change the authorisation:

Having selected the invoice, use **F8** or **right-click>Change Authorisation** to toggle between authorised and un-authorised. The authorisation value on the grid will reflect the change.

> **Note:** To use the Authorisation function in MYOB EXO Business, set the profile **Enable authorisation on Creditors payments**. The limits for each staff member must be set. In EXO Business Config, select **Staff > Profile Assignment > Staff**, and set the **Cred. Invoice Auth Limit** field on the Authority tab.

Other Functions on the Transaction Tab

The following functions are also available from the Transaction tab:

- Double-click on a selected invoice to see the invoice details.

- To edit the Creditor account details, click the **Creditor Account** button on the toolbar.

- To set the Creditor To Pay to Yes, click the **Pay** button on the toolbar.

- To set the Creditor To Pay to No, click the **Don't Pay** button on the toolbar.

Once the status of individual invoices is complete, click on the Creditor Accounts tab to deal with the next Creditor account and/or complete the pay process.

Set Accounts to be Paid

This step involves specifying which creditors to pay. A Creditor may have its invoices in a released state, but will not be paid until the Creditor **To Pay** status is set to Yes.

- To set all displayed accounts to be paid, click the **Pay All** button on the toolbar on the Creditors Accounts tab.

- To set all displayed accounts to not be paid, click the **Pay None** button on the Creditors Accounts tab

The To Pay status on individual accounts can be set using any one of these methods:

- Select the account line on the grid, then use SPACEBAR to toggle To Pay between Yes and No.

- Right-click on the account line on the grid, then use the **Pay this account** or **Don't pay this account** options.

- Double-click on the account line to get to the Transaction tab, then click the **Pay** or **Don't Pay** button on the toolbar.

The **To Pay** column of the main grid shows which accounts will be paid ("Y) and which will not be paid ("N").

Prompt Payment Discount

To take up a supplier's prompt payment discount, the Creditor's account must be set up with a percentage discount. To do this:

1. In EXO Business, go to the Details 2 tab of the Creditor Account screen and enter a value in the **Prompt payment discount** field:

2. In Payment Processor, click the **Calc Disc** button ( ).

Discount will be calculated on invoices where:

- Creditors accounts where **To Pay** is set to "Yes".

- The prompt payment discount has been set-up for the creditor

- The creditor's invoices have been released.

- The **Due Date** of the creditor's invoice is less than or equal to the **Payment Date** on the main Payment Processor screen.

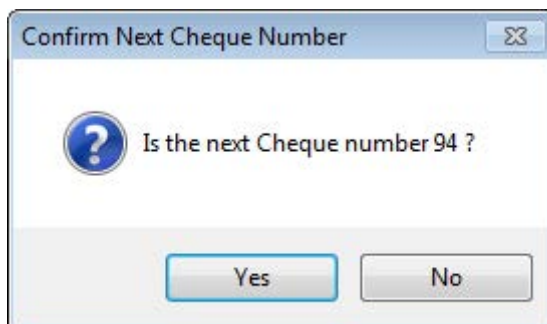A new transaction is generated to represent the discount taken.

Processing Cheques

To process cheques:

1. Click the **Process Cheques** button to initiate the printing of cheques and accounting updates. This button is only available when dealing with Cheque payments. The following message will be displayed.

2. Click **Yes** to confirm that the cheque number is correct.

3. A Cheque Remittance report is generated; review this report, then print.

4. Once complete, a summary of the cheque run is displayed:

5. Select a line a press the SPACEBAR to toggle the **Print OK?** flag. If set to "No" the system will leave the account unpaid.

6. Click **OK** to initiate the accounting updates. Accounting update will not be performed for accounts where **Print OK?** is set to "No".

A Creditor transaction is created for the payment. This is allocated to the invoices that made up the payment, i.e. the released invoices.

The system also updates the General Ledger:

- **DR** Creditors Control

- **CR** Bank

Processing Direct Credits

To process Direct Credits:

1. Click the **Process D/C** button to initiate the creation of the Direct Credit file and accounting updates. This button is only available when dealing with payments by Direct Credit. The following window is displayed:

2. Modify the **File Name** if required. If a different bank to the default bank is required, uncheck the **Use Default Bank** box, then select a new Bank from the drop-down-list. Click **OK** to continue. A message window appears, giving the user an opportunity to view the file.

3. Click **Yes**, then **Open** to see the contents of the file.

4. The next message prompts the user to confirm that the process should be completed:

5. Click **Yes** to continue; this will perform accounting updates.

6. If the **Use Mailshot for printing and emailing remittance when paying by D/C** setup option has been enabled, the Mailshot window will open (see page 528), allowing you to bulk send remittance advice to Creditors.

7. The final step is to import the newly created Direct Credits file into the desktop banking software and subsequently processed.

Manual Cheque Process

The manual cheque facility is used to raise a cheque payment when the payment does not necessarily relate to outstanding creditor invoices. For example, a payment is being made to refund a debtor, or a payment is being made where the creditors invoice either doesn't exist or has not been entered into creditors.

1. Select **Transactions > Manual Cheque**. The Manual Cheque entry window is displayed:

2. Enter cheque details:

Field	Description
To	The name of the person or organisation that this cheque is to be made out to.
Amount$	The total amount of the cheque. This field is calculated from the integrated cashbook amounts (in the panel on the lower half of the screen) and therefore cannot be changed directly.
Address	The address details of the recipient.
Details	Any details that you require.

3. In the bottom grid, enter the analysis of the payment. It can be charged to General Ledger expense account(s), debtor accounts and so on, by entering the appropriate character in the Ledger Lr column. Press D,C,X. **D** for Debtors Ledger, **C** Creditors Ledger (for payments in advance of an invoice), **eX** Expense.

4. Enter Details to appear on the transaction narrative.

5. Enter the amount and tax code/amount.

6. Click the **Print Cheque** button on the toolbar to print the Remittance/ Cheque form.

7. A prompt is given to confirm the cheque number. Click **Yes** to continue.

8. The system will prompt for confirmation that the cheque printed successfully. Click **Yes** to perform the accounting updates. The system will provide the GL batch number.

9. Click the **Clear Cheque** button to clear any information that you have entered into this screen.

Reversing a Cheque

To reverse a cheque:

1. Select the **Reverse a Cheque Payment** option from the Utilities menu. The Account Search screen is displayed:

2. Select the Creditor account line for which the cheque is to be reversed and double-click it.

3. The Select Cheque Number list box displays the cheque numbers that have been processed for the selected Creditor. Select the cheque number to be reversed, and click the **Details** button to display the cheque details. If this is the cheque to be reversed, select the corresponding details line and click the **Reverse** button. A prompt appears to confirm the reversing of this cheque.