

Clearing Small Creditor Balances

This document will explain:

How to clear small balances from your creditor accounts.

From time to time your creditor accounts may end up with small rounding balances, either owing or in credit, and you just want to clean these up.

If you owe them 1 cent you can use the 'Discount' function to clear this:

- Edit the creditor record as if to enter a payment
- From the dropdown selection in the 'Type' field select Discount

Editing Creditor - DEMO.COMP

Card Code: DEMO.COMP Date: 31/01/2013 Type: Payment

Demo Company

GL Acc. Payment By Cheque No Amount

Payment Prepayment Refund Bad Debts Discount Account Fee Creditors Adjustment Up Creditors Adjustment Down Debtors Contra

Nil Dollars only

Comment

Branch: SYD Sydney Office

+	Payment Approved	Vend. Inv#	Pay#	Date	Purchase Amt	Paid Amt	Discount	Account Fee Discount	Paid Now	Balance Due	Date Due
	<input checked="" type="checkbox"/>	987		31/03/2008	100.00	99.99				0.01	07/04/2008

- Type the amount (0.01) in the DISCOUNT field in the line where the 1 cent is showing as owing

Editing Creditor - DEMO.COMP

Card Code: DEMO.COMP Date: 31/01/2013 Type: Discount

Demo Company

Nil Dollars only Amount: 0.00

Comment

+	Payment Approved	Vend. Inv#	Pay#	Date	Purchase Amt	Paid Amt	Discount	Account Fee Discount	Paid Now	Balance Due	Date Due
I	<input checked="" type="checkbox"/>	987		31/03/2008	100.00	99.99	0.01			0.01	07/04/2008
	<input checked="" type="checkbox"/>	Deposit		21/12/2010	100.00	0.00				100.00	21/12/2010

- Press Enter to record the discount.

Editing Creditor - DEMO.COMP

Card Code: DEMO.COMP Date: 31/01/2013 Type: Discount

Demo Company

Zero Dollars and One Cent Amount: 0.01

Comment: _____

Purchase Order List

+ Payment Approved	Vend. Inv#	Pay#	Date	Purchase Amt	Paid Amt	Discount	Account Fee Discount	Paid Now	Balance Due	Date Due
<input checked="" type="checkbox"/>	987		31/03/2008	100.00	99.99	0.01		0.01	0.00	07/04/2008
<input checked="" type="checkbox"/>	Deposit		21/12/2010	100.00	0.00				100.00	21/12/2010

- Save and close.

If the 1cent is a credit amount ie -0.01 then it is a two-step process to clear this:

- First you need to add a Creditors Adjustment UP to offset the credit

Editing Creditor - DEMO.COMP

Card Code: DEMO.COMP Date: 31/01/2013 Type: Payment

Demo Company

Nil Dollars only

GL Acc. Payment By Cheque No Amount

Payment Refund Discount Creditors Adjustment Up

Prepayment Bad Debts Account Fee Creditors Adjustment Down

CBA Debtors Contra

Comment: _____

- Select the 6-XXXX Rounding Account, enter a 'Vendor Invoice #' eg ADJ, and use Tax Code X as you are simply writing off a small 'rounding' credit balance with no GST reporting.

Editing Creditor - DEMO.COMP

Card Code: DEMO.COMP Date: 31/01/2013 Type: Creditors Adjustment Up

Demo Company

Nil Dollars only

GL Acc. Vend Inv# Amount

62600 Rounding Account

62100 Printing & Stationery

62450 Internally Used Stock

62500 Rent

62600 Rounding Account

62601 Sales rounding

63020 Electrical

63040 Plumbing

Editing Creditor - DEMO.COMP

Card Code: DEMO.COMP Date: 31/01/2013 Type: Creditors Adjustment Up

Demo Company GL Acc: 62600 Rounding Account

Zero Dollars and One Cent Vend Inv#: ADJ Amount: 0.01 Tax: X

Comment: Write off small credit

- Save.

You have created an 'invoice' for 1cent to apply the credit to.

- Add a Payment 'By Credit' to apply the 1cent credit to the 1cent 'invoice' and save.

Editing Creditor - DEMO.COMP

Card Code: DEMO.COMP Date: 31/01/2013 Type: Payment

Demo Company Payment By: Credit

Nil Dollars only

Comment:

Branch: SYD Sydney Office

Purchase Order List			
Payment Approved	Vend. Inv#	Pay#	Da
<input checked="" type="checkbox"/>	Deposit		21
<input checked="" type="checkbox"/>	951		29
<input checked="" type="checkbox"/>	123456		01
<input checked="" type="checkbox"/>	ADJ		31

Select Credits/Prepayments

Drag a column header here to group by that column

Select	Date	Type	Ref#	Pay#	Payment By	Comment	Amount
<input checked="" type="checkbox"/>	01/01/2013	Credit	0	110	Electronic Transfer	Cheque #11,credit	\$0.01

0.01 | 0.01

Select All Unselect All OK Cancel

Your creditor account will be clean!

For further assistance or information please call Happen support on 02 9570 4696 or email support@happen.biz