

Compensation manual

2020 August

V1.0.4.0

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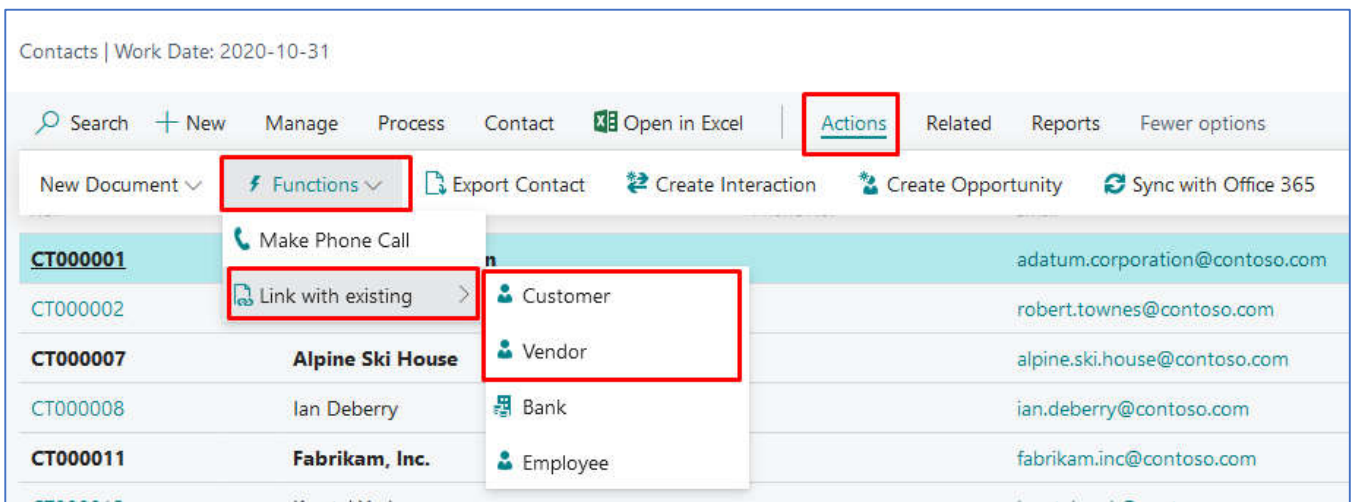
1 Compensation – how to start

This document is a user guide that describes how to use the functionality of payables/receivables compensation between customer and vendor. After successfully installing Compensation extension, before using it, read this manual.

2 Vendor and customer linking

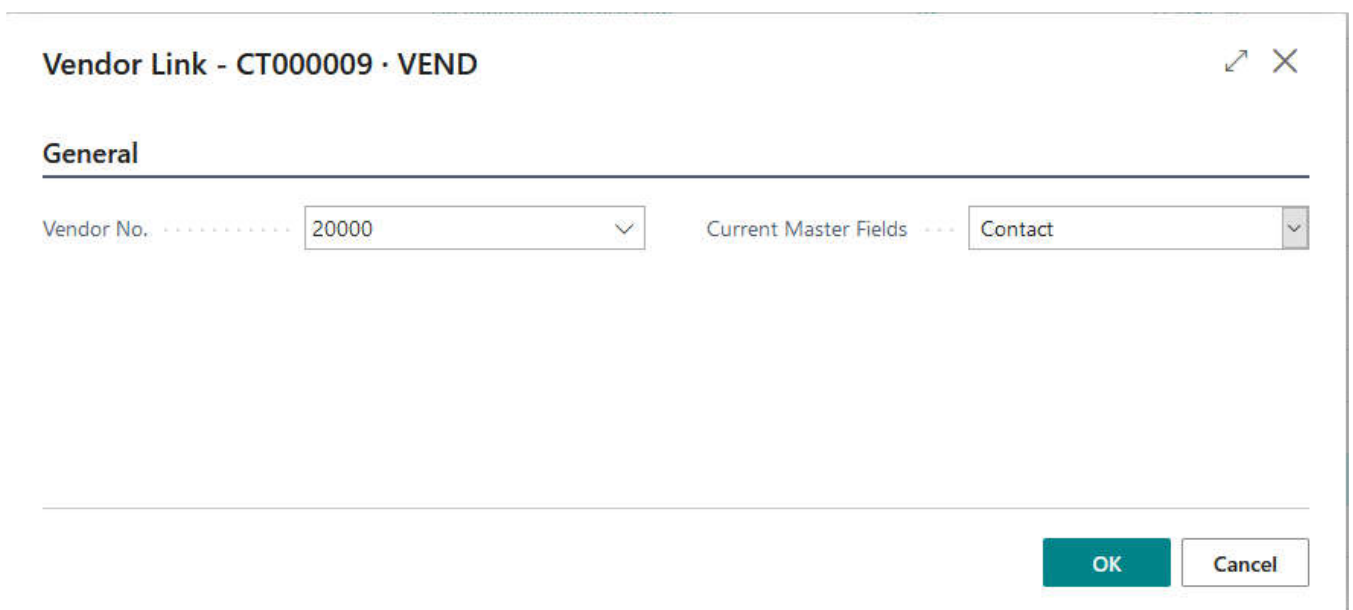
In order for the system to understand that an individual vendor and an individual customer are registered as the same company, the user must first establish a business relation between the vendor and the customer through contacts:

Open the **Contacts** page. If the contact card for the customer you want to establish a business relation is already created, select it. Then press **Actions > Functions > Link with existing > Vendor**.



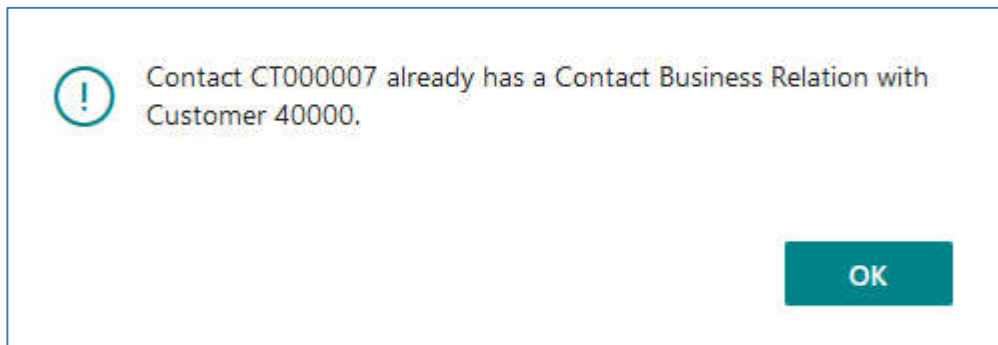
Picture 1 Link Contacts

In the window that opens, select a vendor from the vendors list and press **OK**.



Picture 2 Contacts linking

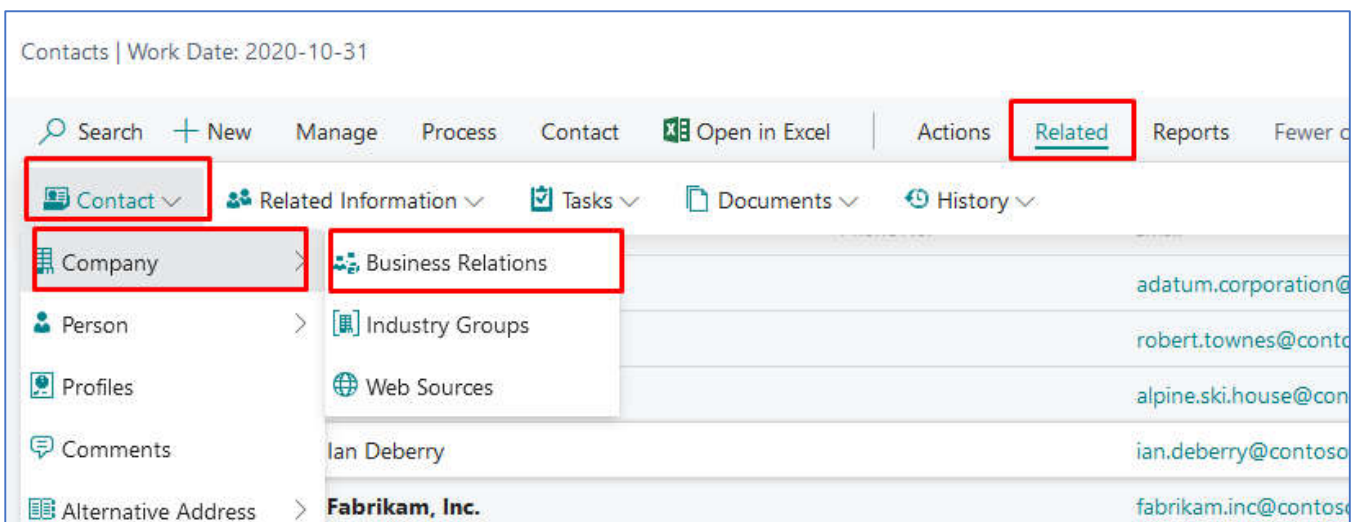
If another contact card is already created for the vendor you are trying to associate with the selected customer, you will receive an error message. In this case, the contact for the vendor should be removed and the procedure repeated.



Picture 3 Message about existing contact relation

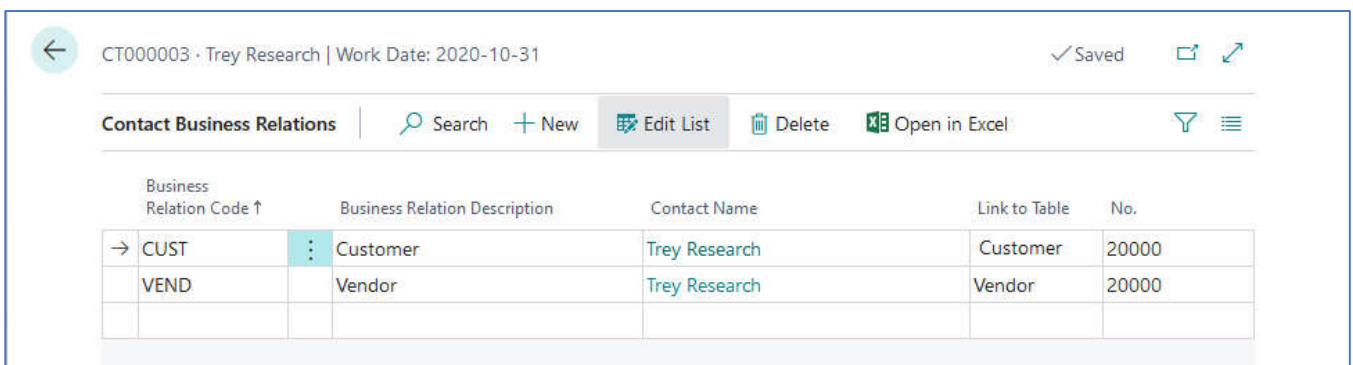
Similarly, the business relation is created from an existing vendor contact by linking it with an existing customer. This is done via Actions > Functions > Link with existing > Customer.

The business relations can be viewed in the contacts list by selecting the company and pressing Related > Contact > Company > Business Relations.



Picture 4 Review business relations

In the window that opens, you will see your existing business relations.



Picture 5 Business relations

When the Customer and the Vendor are linked, the balance (LCY) of the linked Customer/Vendor can be viewed in their cards.

Customer Card | Work Date: 2020-10-31

20000 · Trey Research

New Document Request Approval Navigate Customer Actions Related Reports

General

No.	20000
Name	Trey Research
IC Partner Code	
Balance (LCY) As Vendor	3 751,88
Balance (LCY)	2 345,63
Balance Due (LCY)	2 345,63
Credit Limit (LCY)	0,00
Blocked	

Picture 6 Balance as Vendor/Customer

3 Compensation

Payables / Receivables compensations can be formed when the customer is linked with the vendor through the contact card in the system.

Open **Payment Journals** page and select Process > Suggest Compensations (LBC).

Payment Journals | Work Date: 2020-10-31

Batch Name

Manage **Process** Bank Prepare Post/Print Line Account Check Actions Related

Suggest Compensations (LBC) Apply Entries... Reconcile

Picture 7 Suggest Compensation function

In the options window that opens, enter the following data:

- Posting Date – the date for which the payment journal lines will be created.
- Document No. – specify compensation document number that will be assigned to the payment journal lines.
- Description – enter the description that will be assigned to the payment journal lines.
- On Hold – The user enters the attribute, which will be recorded for the customer/vendor ledger entries that the system will suggest to compensate. Entering this attribute will not re-include them from subsequent payments, so the same entry will not be paid twice.

NOTE: The system will not allow the user to remove the "On Hold" data from the customer/vendor ledger entries until the related payment journal lines are deleted

- Order of suggestion – select the order in which the records will be suggested for compensation.
Available options:
 - Fin. Ch. Memo First – firstly Fin. Ch. Memo will be included.
 - Invoices First – firstly invoices will be included.
 - By Entry No. – entries will be included in the order as they are entered in the system.

There is an option to select filters for the vendors or the vendor ledger entries in this window.

Suggest Compensations (LBC)

↗ ✕

Options

Posting Date 2020-10-31 📅

Document No. UZSK001

Description Compensation %1 %2

On Hold

Order of suggestion By Entry No. ▼

Filter: Vendor Ledger Entry

✕ On Hold

+ Filter...

Filter totals by:

+ Filter...

Filter: Vendor

✕ No. ▼

+ Filter...

OK
Cancel

Picture 8 Suggest compensation, report parameters page

Pressing the **OK** button on the options page will initiate the compensation proposal process after which the system will generate proposals by filling in the payment journal lines.

Payment Journals | Work Date: 2020-10-31

Batch Name CASH

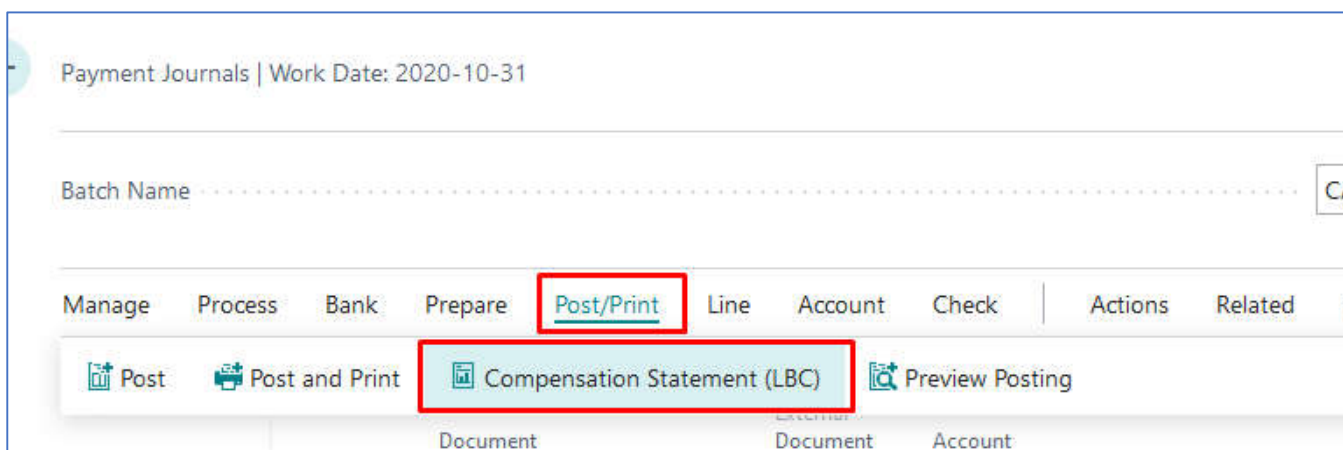
Manage Process Bank Prepare Post/Print Line Account Check Actions Related Fewer options

Posting Date	VAT Date	Document Type	Document No.	External Document No.	Account Type	Account No.	Amount	Bal. Account Type	Bal. Account No.	Amount (LCY)	Posting Group	Ultimate Debtor Acc. Type
2020-10-31	2020-10-31		UZSK001	107196	Vendor	20000	1 694,00	G/L Account		1 694,00	DOMESTIC	Customer
2020-10-31	2020-10-31		UZSK001	103169	Customer	20000	-625,50	G/L Account		-625,50	DOMESTIC	Customer
2020-10-31	2020-10-31		UZSK001	103181	Customer	20000	-938,25	G/L Account		-938,25	DOMESTIC	Customer
2020-10-31	2020-10-31		UZSK001	107199	Vendor	20000	651,63	G/L Account		651,63	DOMESTIC	Customer
2020-10-31	2020-10-31		UZSK001	103195	Customer	20000	-781,88	G/L Account		-781,88	DOMESTIC	Customer

Picture 9 Payment Journal

A different Document No. for each vendor will be created by sequential numbering from the first listed in the options window. Payment journal lines can be adjusted as needed.

In order to send a compensation statement to another company for approval, select Post / Print > Compensation Statement (LBC) in the payment journal.



Picture 10 Print Compensation Statement

In the window that opens, enter the following data:

- Responsible Person – select from a list of employees or enter manually the responsible person.
- Document was created by – select from a list of employees or enter manually the person who created the document.
- Report Date – specify report date.
- Report Language – select language in which the compensation statement will be printed. Available options: Default (system language), Lithuanian and English.

In the options window, the user can also select journal line filters that can be used to choose which compensation statements to print.

Compensation Statement NP (LBC)

Printer (Handled by the browser)

Responsible Person UZSK001

Document was created by Name1 Surname1

Report Date 2020-10-31

Report Language English

Filter: Gen. Journal Line

× Document No.

× Posting Date

× Currency Code

+ Filter...

Advanced >

Send to... Print Preview Cancel

Picture 11 Compensation Statement, report parameters page

After filling in the information and pressing the *Send to* button in the options window, the system will save the document in PDF, Word or Excel format. When you press the *Print* button, the compensation statement will be printed. Pressing *Preview* will allow the compensation statement to be viewed on the screen.

Sender
 My Company
 W2 8HG, 5 The Ring Westminster, London, GB
 . 777777777

Recipient
 Trey Research
 SE1 0AX, Southwark Bridge Rd, 91-95, London,
 GB

COMPENSATION STATEMENT
 20-10-31 UZSK001

We, the undersigned, created this compensation statement according to 2020-10-31 accounting data.

1. Monetary claim of company Trey Research to company My Company on basis of these documents:

Document Type	Document Number	Amount including VAT	Amount for Compensation
Invoice	103189	625,50	625,50
Invoice	103181	938,25	938,25
Invoice	103195	781,88	781,88
Total			2 345,63

2. Monetary claim of company My Company to company Trey Research on basis of these documents:

Document Type	Document Number	Amount including VAT	Amount for Compensation
Invoice	107196	1 694,00	1 694,00
Invoice	107199	961,00	651,63
Total			2 345,63

Total amount in this compensation statement is: GBP 2 345,63

The Parties agree to set off mutual debts Two thousand three hundred forty five GBP 63 .

Please send a signed and stamped copy to our address W2 8HG, 5 The Ring Westminster, London, GB or e-mail .

On behalf of:
 My Company
 Responsible Person: Name1 Surname1
(name, surname, signature)

On behalf of:
 Trey Research
 Responsible Person: (name, surname, signature)

Document was created by: Name2 Surname2
 Phone No.:
 E-Mail:

Picture 12 Compensation statement

When the compensation proposal is signed by both parties, the user has to post the lines of the compensation journal and, if necessary, print out the compensation statement. In order to print the compensation statement, select the compensation entry in the Customer/Vendor ledger entries list and press Actions > Compensation Statement (LBC).

20000 - Trey Research | Work Date: 2020-10-31

Customer Ledger Entries | Search | Edit List | Process | Line | Entry | Navigate | Open in Excel | **Actions** | Related | Fe

Functions | Find entries... | Show Document | **Compensation Statement (LBC)** | Show Document Attachment

Posting Date	Document Type	Document No.	Customer No.	Description	Currency Code	Original Amount	Amo
→ 2020-03-14	Payment	103210	20000	102217		-379,25	-379
2020-02-26	Payment	103209	20000	102216		-1 428,00	-1 428
2020-02-18	Payment	103208	20000	102215		-1 020,00	-1 020

Picture 13 Compensation statement from ledger entries

In the options window that opens, the user can enter the responsible person, the person who made the statement, the date and the language of the statement. The Compensation statement will be generated by clicking the Send to / Print / Preview button.

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