

SUPPORT DOCUMENT

Customer Credit Control



palladium
Accounting

Contents

Overview	3
Sales Invoices	3
Over Credit Limit	3
Temporary Credit Limits	3
Overdue Invoices	4
User Overrides	4
Sales Orders	4
Credit Block On Overdue Invoices	4
Credit Block On Over Credit Limit	4
Include Open Sales Orders in Available Credit	5
User Overrides	5

Overview

The Palladium Credit Control is managed in 2 separate stages in the form of Sales Order Level and Sales Invoice level. There is no credit management for Sales Quotes of Freehand Quotes.

Sales Invoices

The screenshot displays a configuration interface for sales invoices. It is divided into several sections:

- Credit Block On Overdue Invoices:** Includes sub-sections for Sales Invoice Processing and Sales Order Processing, each with radio buttons for Ignore, Warning, and Block, and a numeric input for 'Ignore Amounts Under (Local Currency)' set to 0.00.
- Default Department:** Radio buttons for Customer (selected) and User.
- Default Credit Control for New Customers:** Checkboxes for 'Use Credit Limit' and 'Include Open Sales Orders In Available Credit Statistics'. A 'Limit Amount' input is set to 100,000.00. 'Interest Method' has radio buttons for Standard and Compounded (selected). 'Interest Rate (APR)' is set to 22.00 %.
- Blank Department:** Radio buttons for Allow (selected), Warning, and Block.
- Sales Invoice Processing Over Credit Limit:** Radio buttons for Ignore (selected), Warning, and Block. 'Ignore Amounts Under (Local Currency)' is set to 0.00.
- Sales Order on Over Credit Limit:** Radio buttons for Allow (selected), Warning, and Block. A checkbox option is present: 'The Warning or Block Options will Give you the Ability to Convert to a Sales Quote on the Fly'.

There are 2 ways in which we control and setup the Credit Management for invoices in the form of Over Credit Limit, and Overdue Invoices.

Over Credit Limit

To use Credit Limit Control you first need to activate the function “Default Credit Control for New Customers” above and insert a default Credit Limit for New Customer creation. The Credit limits are set at customer level as seen below – and governs / limits the total amount of goods or services invoiced to clients. In the screen below you will see that we will activate the Credit Control function at Customer Level. Once the credit limit has been reached, the user will be unable to invoice the client further.

The screenshot shows the 'Customer' settings window for 'Belvedere Nursing Home'. The 'Settings' tab is active, and the 'Credit Control' section is highlighted with a red box. The settings are:

- Use Credit Control
- Limit: 5,000.00
- Credit Hold
- Interest Rate (APR): 24.00 %
- Temporary Limit: 0.00
- Expiry: 31 May 2016

In addition to this you can set the system to Allow / Block or Warn on Customers over their Credit Limits for added flexibility.

Temporary Credit Limits

Should users wish to exceed customer credit limits but still exercise control and discretion by using the Temporary Credit Limit function as seen above. The temporary credit limit is supported by an expiration date for greater control.

Overdue Invoices

The credit block on Overdue Invoices manages the ability to process invoices on Customer accounts with overdue invoices. An overdue account is classified as an account with invoices over their due credit terms. If an invoice was due to be paid at the end of January, the system will disallow invoices processed in February until these overdue invoices are paid. Note that there is an option for the discretionary management for credit control on overdue invoices with the option settings to Allow / Block or Warn on generating sales on accounts with overdue invoices.

User Overrides

We have the option to allow for user / managerial overrides on Credit Block on accounts with overdue invoices at time of processing the Invoice.

<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> Invoices	
<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> Adjustment Approval	Has Authorization to Adjust Invoices / Approve Invoice Adjustments
<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> Print Preview	Enables The Print Preview Button On Sales Invoices Only
<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> Voucher Code Reprint	Has Authorization to Reprint Voucher Codes / Approve Voucher Code Reprinting
<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> Credit Block Approval	Approve Credit Block on Overdue Accounts on Sales Invoice Processing

Sales Orders

<p>Credit Block On Overdue Invoices</p> <p>Sales Invoice Processing <input checked="" type="radio"/> Ignore <input type="radio"/> Warning <input type="radio"/> Block</p> <p>Ignore Amounts Under (Local Currency): <input type="text" value="0.00"/></p> <hr/> <p>Sales Order Processing</p> <p><input checked="" type="radio"/> Ignore <input type="radio"/> Warning <input type="radio"/> Block</p> <p>Ignore Amounts Under (Local Currency): <input type="text" value="0.00"/></p> <p><input type="checkbox"/> The Warning or Block Options will Give you the Ability to Convert to a Sales Quote on the Fly.</p>	<p>Default Department</p> <p><input checked="" type="radio"/> Customer <input type="radio"/> User</p> <hr/> <p>Default Credit Control for New Customers</p> <p><input checked="" type="checkbox"/> Use Credit Limit <input checked="" type="checkbox"/> Include Open Sales Orders In Available Credit Statistics</p> <p>Limit Amount: <input type="text" value="100,000.00"/></p> <p>Interest Method <input type="radio"/> Standard <input checked="" type="radio"/> Compounded</p> <p>Interest Rate (APR): <input type="text" value="22.00"/> %</p>	<p>Blank Department</p> <p><input checked="" type="radio"/> Allow <input type="radio"/> Warning <input type="radio"/> Block</p> <hr/> <p>Sales Invoice Processing Over Credit Limit</p> <p><input checked="" type="radio"/> Ignore <input type="radio"/> Warning <input type="radio"/> Block</p> <p>Ignore Amounts Under (Local Currency): <input type="text" value="0.00"/></p> <hr/> <p>Sales Order on Over Credit Limit</p> <p><input checked="" type="radio"/> Allow <input type="radio"/> Warning <input type="radio"/> Block</p> <p><input type="checkbox"/> The Warning or Block Options will Give you the Ability to Convert to a Sales Quote on the Fly.</p>
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Credit Block On Overdue Invoices

This function allows you to Control the processing of sales orders where clients have overdue invoices. You also have the ability to set the function to Allow / Block or Warn on processing orders for clients with Overdue Invoices, as well as the ability to convert these to Sales Quotes on the fly.

Credit Block On Over Credit Limit

This function allows you to Control the processing of sales orders where clients are over their credit limits. You also have the ability to set the function to Allow / Block or Warn on processing orders as required, as well as the ability to convert these to Sales Quotes on the fly.

Include Open Sales Orders in Available Credit

Credit Block On Overdue Invoices

Sales Invoice Processing

Ignore Warning Block

Ignore Amounts Under (Local Currency):

Sales Order Processing

Ignore Warning Block

Ignore Amounts Under (Local Currency):

The Warning or Block Options will Give you the Ability to Convert to a Sales Quote on the Fly.

Default Department

Customer User

Default Credit Control for New Customers

Use Credit Limit

Include Open Sales Orders In Available Credit Statistics

Limit Amount:

Interest Method

Standard Compounded

Interest Rate (APR): %

Blank Department

Allow Warning Block

Sales Invoice Processing Over Credit Limit

Ignore Warning Block

Ignore Amounts Under (Local Currency):

Sales Order on Over Credit Limit

Allow Warning Block

The Warning or Block Options will Give you the Ability to Convert to a Sales Quote on the Fly.

This function sets the available credit display on all Sales Document Processing screens to factor in the value of open Sales Orders for clients who want to view the credit limit as the total exposure to the client. In the screen below you will see we have created a Customer with a credit limit of R2,000 and a Temporary credit limit of R2,500 where we have included the open Sales Order in the available Credit value.

SALES ORDER

Customer: TST001
 Ashburton Reinforcing
 Level 2, 24 Richardson St.
 Perth Western Australia
 WA6872
 UK

Ship To: Ashburton Reinforcing
 Level 2, 24 Richardson St.
 Perth Western Australia
 WA6872
 UK

Doc Number: SO-00000002
 Date: 29 February 2016
 Required: 07 March 2016
 Reference #:
 Additional Info: Test

Account Balance: R 1 545.84
 Open Orders: R 570.00
 Open Quotes: R 139.08
 Available Credit: R 384.16

Qty	Unit	Price	Discount %	Margin %	Tax Code	Tax	Amount
1	EA	500.00	0.00	95.40	01	70.00	500.00

User Overrides

We have the option to allow for user / managerial overrides on Credit Block on accounts with overdue invoices at time of processing the order.

- Orders
- Change Customer
- Cancel Orders
- Adjustment Approval
- Credit Block Approval

Cancel Open Order Quantities
 Has Authorization to Adjust Orders / Approve Order Adjustments
 Approve Credit Block on Overdue Accounts on Sales Order Processing