

## HOW TO CREATE NEW CASHBOOK ACCOUNTS

A cashbook account represents a bank account. It includes all the withdrawals (usually supplier payments and payroll processing), deposits (usually customer payments) and any other charges that have been processed in the bank account.

In Baseplan Enterprise, the Cashbook module can contain several bank accounts.

**For example:** Savings account, credit account, cheque account, etc.

This document aims to assist financial controllers and accounting personnel in creating cashbook accounts in Baseplan Enterprise.

**Software Version: 1801**

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## SETTING UP A NEW CASHBOOK ACCOUNT

1. From the Menu, select **General Ledger > Cashbook**
2. Click NEW ACCOUNTS
3. Click ADD NEW
4. Enter the **Cashbook Account Name**

Typically, this is the same as the bank account name.

5. Enter the unique General Ledger account combination that transactions from this cashbook account must post to, from the **Major, Minor, Account** and **Sub Account** drop down lists.

This account combination will be configured in other modules of the system, such as Customer GL groups, Supplier GL groups, and used when posting transactions to the GL and cashbook accounts.

If the cashbook account represents a foreign account, revalue adjustment details must be added in the *Cashbook Account Details* panel. The General Ledger combination selected from the revaluation **Major, Minor, Account** and **Sub Account** drop down lists, will be used to post any unrealised gains / losses when the Revalue Outstanding Transactions procedure is run for the cashbook to revalue all outstanding transactions (invoices, journals, payments) based on the current foreign exchange rate.

6. In the *Bank Account Details* panel, enter the name of the bank related to the cashbook account in the **Bank** field
7. Enter the name that will be used for EFT transactions, in the **EFT Account Name** field
8. Enter the bank account name in the **Account Name** field
9. If applicable, enter the account **BSB Number**
10. Enter the bank **Account Number**
11. Enter the **Direct ID** for the bank account

Direct IDs are unique identification numbers issued by the bank, and used when processing EFT transactions.

12. Check **Self Balancing**, if the EFT transfer file created for the bank account requires a self balancing entry
13. Select the **Country**
14. Select the **Currency**

Currency and exchange rates are configured in **Suppliers > Configuration > Currency**

15. Check **Enable Electronic Bank Statements** if bank statement files are to be imported in the system and automatically reconciled with the cashbook

Please refer to the 'How to Reconcile Electronic Banking Cashbooks' guide for more information.

16. Select the **Supplier EFT File Format**

These formats are configured in the system by Baseplan.

17. Click SAVE

The new cashbook account will now be listed on the *Cashbook Menu* screen.

### New Cashbook Account - Opening Balance

Often cashbook accounts have existing bank transactions before they are created in Baseplan Enterprise. Follow the steps below to enter the cashbook account opening balance.

1. Add up all the outstanding amounts in the bank account – these are any outstanding withdrawals and deposits

This is the amount that will be reversed (adding withdrawals back to the bank and subtracting deposits) out of the **Bank Account** in the GL reducing the take on balance, as this value will be added into the cashbook account by entering the individual outstanding transactions (described in step 3).

2. Create a general ledger journal in the *Journal Entry* screen with **Type** 'GJL' removing this value from the **Bank Account** and adding into a sundry account.

**For example:** The bank statement balance is \$100.00. A journal will be created in the *Journal Entry* screen as follows:

Debit – Sundry Account    \$100.00

Credit – Bank Account    \$100.00

3. In the *Cashbook Master* screen, present both the GL Opening Bank Balance journal (this may be the take on journal entered for all GL account opening balances during an implementation) and the journal created in step 2
4. Close the cashbook page
5. The closing balance of this closed page will be the actual cashbook opening balance as per the bank statement. The opening balance of the newly created open page will also be the actual cashbook opening balance. In the *Entry / Edit Details (Alt E)* grid of the *Details* panel (*Cashbook Master* screen), enter all the outstanding withdrawals and deposits using the sundry account GL codes used in the journal created in Step 2.

**Note:** When adding entries into the cashbook, the other side of the general journal is automatically the relevant GL **Bank Account**.

After all the outstanding transactions are entered, print the Bank Reconciliation report. The Difference value in the report should be zero.

6. Check the sundry account balance by generating the General Ledger – Account History report. It should show a balance of \$0.00.

**For example:**

Opening <b>Bank Account</b> Balance on Go Live Journal		\$ 105,000.00	
Amount to <b>Journal Out</b> so we can enter cashbook outstandings		-\$ 6,830.00	
Actual opening cashbook balance before outstandings		\$ 98,170.00	

  

Opening Bank Statement Balance	\$ 98,170.00	
Outstanding Withdrawals		
Cheque 123456	-\$ 1,500.00	
Cheque 123458	-\$ 750.00	
Cheque 123472	-\$ 500.00	
Cheque 123473	-\$ 125.00	
	<u>-\$ 2,875.00</u>	-\$ 2,875.00
Outstanding Deposits		
Joe Smith & Co.	\$ 1,130.00	
James Bond	\$ 8,575.00	
	<u>\$ 9,705.00</u>	\$ 9,705.00
Closing Bank Statement Balance	<u>\$105,000.00</u>	

  

Outstandings to take out of GL Bank Account	-\$ 6,830.00
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2.	The journal required for this example is
	DB - Sundry Account \$6,830.00
	CR - Bank Account \$6,830.00

**Note:** All outstandings will then be added in cashbook to the sundry account

Net for sundry account will become zero \$0.

Both Opening Bank Account Journal and new journal are picked up together to give actual cashbook opening balance

When an additional cashbook account has been created that does not have existing transactions, the Opening Balance can be entered by processing a [bank transfer](#) to move funds to the new account.

If the balance sheet already has a value for the new bank account, then follow the steps below:

1. Disable the parameter **Post to Cashbook** so that the journals that are created do not appear in the Cashbook and the balance does not revert to 0
2. Create a manual GL journal (**General Ledger > Journal Entry**) and add the required balance to the sundry account

**For example:** The bank account balance is \$100.00. A journal will be created in the *Journal Entry* screen as follows:

Debit – Sundry Account \$100.00

Credit – Bank Account \$100.00

3. Post the journal

This will deduct the amount from the bank account and add it to the sundry account, without changing the Cashbook.

4. Enable the parameter **Post to Cashbook**
5. Create another manual journal to move the funds out of the sundry account and into the bank account

**For example:**

Debit – Bank Account   \$100.00

Credit – Sundry Account   \$100.00

This will create a cashbook detail line which can be presented and the cashbook page closed. The newly created open page will have the correct Opening Balance.

*Please refer to the 'Cashbook Reconciliation' guide for more information on presenting detail lines and closing cashbook pages.*

## PROCESSING BANK TRANSFERS

Transactions cannot be processed for one cashbook account in another cashbook account. In such cases, the 'Bank Transfer' option must be used.

Follow the steps below to process a bank transfer from one cashbook account to another:

1. From the Menu, select **General Ledger > Cashbook**
2. Click BANK TRANSFER
3. Select the cashbook account that funds are to be transferred from, using the **From** drop down list

This will default the currency of the selected account in the **Currency** field underneath.

4. Select the cashbook account that funds are to be transferred into, from the **To** drop down list

This will default the currency of the selected cashbook account in the **Currency** field underneath.

Whether the fields, **Amount From Local**, **Amount To Local**, **Amount From Foreign** and **Amount To Foreign**, are editable, will depend on the accounts involved.

- When transferring between local accounts:
  - **Amount From Local** – Editable
  - **Amount To Local** – Locked and will default from **Amount From Local**
  - **Amount From Local** – Locked and set to blank
  - **Amount To Local** – Locked and set to blank
- When transferring from foreign account into local account:
  - **Amount From Local** – Locked and will default from **Amount To Local**
  - **Amount To Local** - Editable
  - **Amount From Foreign** - Editable
  - **Amount To Foreign** – Locked and will default from **Amount From Foreign**
- When transferring from local account into foreign account:
  - **Amount From Local** - Editable
  - **Amount To Local** – Locked and will default from **Amount From Local**
  - **Amount From Foreign** - Editable
  - **Amount To Foreign** – Locked and will default from **Amount From Foreign**



- When transferring between foreign accounts (same currency):
  - **Amount From Local** – Locked and will be calculated using the exchange rate configured in the *Currency* screen and the value in the **Amount From Foreign** field
  - **Amount To Local** – Locked and will default from **Amount From Local**
  - **Amount From Foreign** - Editable
  - **Amount To Foreign** – Locked and will default from **Amount From Foreign**
- When transferring between foreign accounts (different currencies):
  - **Amount From Local** – Locked and will be calculated using the exchange rate configured in the *Currency* screen and the value in the **Amount From Foreign** field
  - **Amount To Local** – Locked and will default from **Amount From Local**
  - **Amount From Foreign** - Editable
  - **Amount To Foreign** – Editable

5. Enter the relevant fields and click OK

**Info:** “Bank transfer has been successfully completed!”

**Note:** If the difference between the local amount entered by the user and the amount calculated by the system using the configured exchange rate is more than the percentage set in the **Tolerance Factor in Bank Transfer** parameter, then a warning message will be displayed after clicking OK.

If a transfer has been incorrectly processed in one cashbook account and posted to the GL, but does not appear in the other cashbook account then a manual entry must be created in the account where the entry does not appear. The GL code selected must be the same as that of the cashbook account. This will result in both sides of the GL Journal posting to the same account.

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