



Common errors in Accounts Receivable: Raising invoices and receipting

Invoice Related Error	Scenario	Recommended fix	Important information
Internal invoice raised to wrong internal customer number	When raising the sales invoice, transaction type XX Internal invoice was selected but the wrong internal customer number was entered.	<ul style="list-style-type: none"> a) Raise a credit memo using exactly the same Transaction Type to the same customer. b) Apply the Credit Memo to the incorrectly raised Invoice; c) Raise a new internal invoice (transaction type XX Internal Transaction, XX - department code) to an internal customer. 	<ul style="list-style-type: none"> o Internal customer no. via this link - http://www.finance.admin.cam.ac.uk/departmental-contacts o Corrections must be raised with the date as per original transaction. GL date must be the nearest month to when the original transaction was raised in o Send the new invoice and the corrected credit memo to the department explaining why the correction was necessary.
Internal invoice raised to external customer	When raising the sales invoice, transaction type XX Internal invoice was selected but an external customer was entered. Whilst there is no impact on the customer, this is an internal correction.	<ul style="list-style-type: none"> a) Raise a credit memo using exactly the same information as per the original sales invoice; b) Apply the credit memo to the incorrect invoice; c) Raise a new Invoice as external (transaction type XX Invoice, XX - department code). 	<ul style="list-style-type: none"> o Corrections must be raised with the original transaction date. GL date must be the nearest month to when the original transaction was raised in. o <u>Do not send</u> any of the new transactions to the customer as this is an internal correction. Keep the new invoice and once the customers payment is received apply it to the new invoice. o Email AR helpdesk once the correction has been made as the external customer may need amending/deactivating

<p>Amending the transaction type once distribution codes have been entered.</p>	<p>Once an invoice has been raised (but not yet completed), if the transaction type was then amended e.g. from internal invoice to external, the receivable accounting code does not update and remains as: U.00.0000.0000.USZZ.0000</p>	<ul style="list-style-type: none"> a) Raise a credit memo against your invoice and on this occasion only change the Receivable code to U.00.0000.0000.USZZ.0000; b) Apply the credit memo to the incorrect Invoice; c) Raise a new invoice but do not amend the receivable code defaulted by the system. Do not change the transaction type after distributions have been entered. If the transaction is incorrect, the correction is made by entering an opposite transaction. 	<ul style="list-style-type: none"> o Corrections should be raised with the date as per original transaction but GL date will have to be current open period. o <u>Do not send</u> the credit note and newly raised external invoice to your external customer as this is an internal correction. Keep the new invoice and once the customers payment is received apply it to the new invoice.
<p>Receivable GL account has been overtyped with departments GL account</p> <p>Internal receivable GL code is: U.00.0000.0000.USMA.0000</p> <p>External receivable GL code is: U.00.0000.0000.UBAA.0000</p>	<p>When transaction has been entered the receivable GL account has been manually overtyped.</p>	<ul style="list-style-type: none"> a) Raise an opposite transaction (ie, if invoice has been raised with an error then raise a credit memo) with exactly the same type, to the same customer and <u>only on this occasion</u> overwrite the receivable GL code to match your original transaction; b) Apply the credit memo to the Invoice; c) Re-raise a new transaction but leave the Receivable GL code as it defaulted by the system. 	<p><u>Do not send</u> credit note and the newly raised invoice to your external customer as this is an internal correction. You need to keep the record of the newly raised invoice and once the payment is received match it against this new invoice.</p>

Customer Name	Type of Customer	Tax rate
Cambridge Enterprise	External customer	Internal Tax
Cambridge Assessment		
Cambridge University Press		

Receipt related errors	Scenario	Recommended fix
<p>Unapplied Receipt</p> <p>Indicators:</p> <ul style="list-style-type: none"> Receipt shows as unapplied on your Receipt Batch. 	<p>Receipt has been entered against the customers account but not applied to the invoice</p>	<p>If the receipt is correct, complete the final steps to apply it to the invoice:</p> <ol style="list-style-type: none"> Find your receipt batch and the receipt you need to complete; Open your receipt and: <ul style="list-style-type: none"> if unapplied, apply the receipt if unidentified, apply to a customer and then to an invoice <p>If this receipt has been raised in error, follow these steps:</p> <ol style="list-style-type: none"> Email the Cash Management Team (UFS_CM@admin.cam.ac.uk), advise of receipt number and request to un-apply your receipt. CM team will let you know once it's done; Reverse your receipt; Raise a new receipt. Detailed process notes could be found via the links below: <p>Detailed training documents can be found on the Finance Division web page:</p> <p>http://www.finance.admin.cam.ac.uk/training/docs/accounts-receivable</p>
<p>Unidentified Receipt</p> <p>Indicators:</p> <ul style="list-style-type: none"> Receipt shows as unidentified on your Receipt Batch. 	<p>Receipt batch header and receipt summary has been completed, but then no further information entered</p>	<p>Complete the remaining steps to either apply the receipt against a customers invoice or against a miscellaneous transaction if it relates to a receivable activity.</p> <p>Standard Receipt: : http://www.finance.admin.cam.ac.uk/files/ar_entstdrcpt.pdf</p> <p>Miscellaneous receipt: http://www.finance.admin.cam.ac.uk/files/ar_misrcrpt.pdf</p>