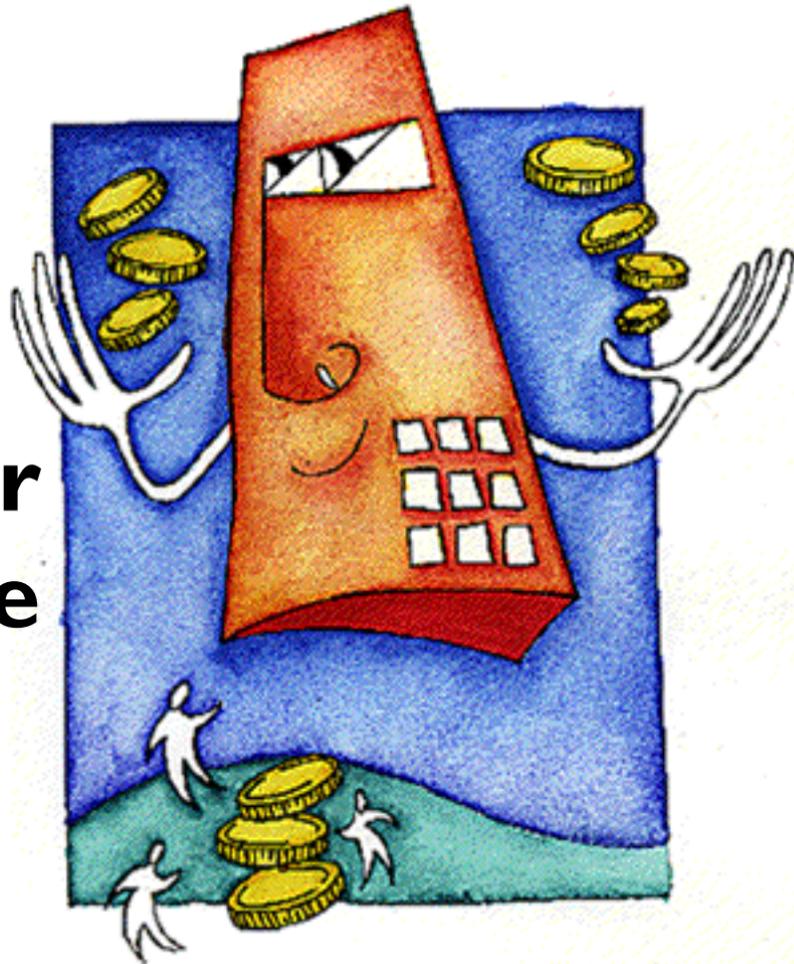*Building the*

Customer
Database

7

Organising Customer Accounts

Your **customer accounts** are the driving force behind the Sales Ledger.

These are the documents which record the trading details – address, credit terms, sales history – for each of your customers. Invoices, credit notes, receipts or refunds are then entered against each account which automatically increase or decrease the balance to provide a constantly updated record of what you are owed and who has paid.

This chapter looks at how you create **customer accounts**. It also looks at how you create your own **customer categories** in which to organise and group the individual accounts in a logical and meaningful fashion. These categories enable you to locate customers more easily from the database.

You can create up to 30 customer categories — and each category can hold up to 100 separate customer accounts — so you can arrange the customer database to suit your own particular needs.

For example, you may want to organise your customer accounts alphabetically or by geographical region. A third option is to group the customer accounts according to the type of services or products sold to them.

You can assign short reference names to each customer account which can be used to sort reports or screen views in alphabetic order.

Before you start adding the customer accounts, you may want to devise a simple indexing system which will help you group and retrieve information quickly and easily.

A point of order…

Customer category and account reference names are sorted into numeric then alphabetic order both on the screen and on the relevant customer reports. Therefore, if you want to organise information other than alphabetically, you can prefix each name with a number - as illustrated in the example on the

Customer database...

Sales Ledger

Customer categories...

01 Local Sales 02 UK Sales 03 EC Sales 04 Overseas Sales 05 Re-processing

Customer accounts...

01 Kloer 02 Byzantine 03 Renaissance 04 Lyonaisse

Reports...

Categories

Accounts

01 Local Sales
  01 Charwell CC
  02 Fenwicks
  03 Harwood Estate
02 UK Sales
  01 Marlborough
  02 Kassells Ltd.
  03 Trune plc
03 EC Sales
  01 Kloer
  02 Byzantine
  03 Renaissance
  04 Lyonaisse

Organising Customer Accounts

Creating a Customer Category

Having decided how to organise your customers, you are ready to enter the categories in which the customer accounts are stored. Create a customer category like this…

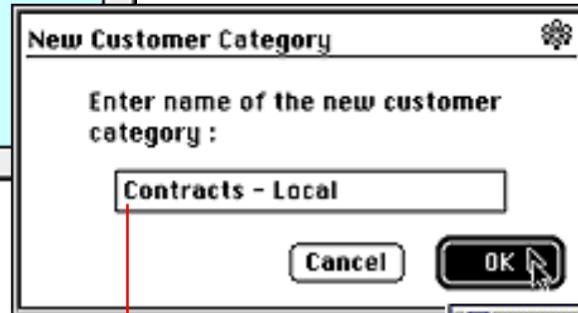*Sales*

Double click the Sales Ledger icon to open it.

Sales Ledger

New Customer Category

Enter name of the new customer category :

Contracts – Local

Cancel   OK
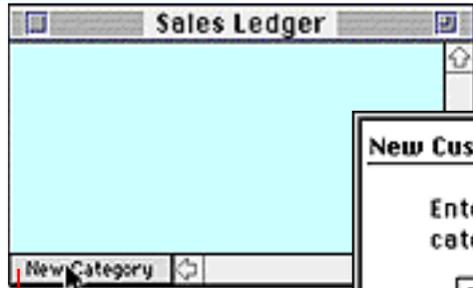
In the bottom left corner of the Sales Ledger window, click the New Category button to display this dialogue…

Type a suitable name then click OK to add the new customer category to the Sales Ledger window…

Notice that once you have created a customer category, an icon representing it appears in the Sales Ledger window. Bear in mind that you do not need to enter all the customer categories in one go.

Sales Ledger

Contracts – Local

New Category

Customer categories (continued)

Re-naming a customer category

If you want to change the name of an existing customer category – for example, to change the order in which it appears on

EC Contracts

reports (and on the screen) then click the relevant category icon and choose Change Item from the Edit menu. You can re-name the customer category from this dialogue box…

Edit

Undo	⌘Z
Cut	⌘X
Copy	⌘C
Paste	⌘V
Clear	
Select All	⌘A
Find	⌘F
Delete Item	⌘K
Change Item…	

Change Customer Category

Old Name : EC Contracts

New Name Contracts - EC

[Cancel]   [OK]

Deleting a customer category

You are also able to delete a customer category provided that any customers it contains have been transferred to other categories or deleted — turn to the to find out how this is done. Once empty, select the unwanted category's icon then choose Delete Item from the Edit menu to remove it.
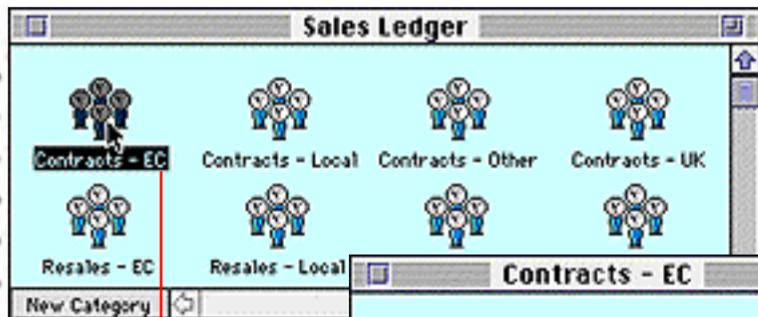
Viewing customer categories

Existing customer categories can be viewed as icons as shown on the …

… or they can be viewed as a list by choosing the By Name option from the View menu.

Creating a Customer Account

Having created one or more customer categories, you can now create the actual customer accounts. To do this…

Double click the category into which the new customer is to be added…

… then click the New Customer button in the bottom left corner of the category window.

The top part of the window is where you record the customer's business details, enter them as described over the page…

Customer Business Details

Name: Enter the customer's full business name.

Address: Type the customer's business address in the four lines provided.

Contact: If applicable, enter the name of the person to contact.

New Customer Details

Name:
Magazin Renaissance et Cie

Address: 15 rue d'Honneur
Montparnasse
14e Paris
France

Contact: Georges Aubisson

46 52 56 75

46 52 56 76

Use this box to enter the customer's fax number.

This is where you enter the customer's telephone number.

Customer VAT Details

When accounting for goods or services sold to other member states of the European Community (EC), you need to provide the following VAT information…

• On VAT Returns, the total net value of sales to other EC member states.

• An EC sales list which itemises the value of goods sold to each customer based in another EC member state together with each customer's VAT details. These VAT details, in turn, comprise the customer's country code and VAT registration number.

You are also required to indicate, where applicable, if you are returning goods after processing; or if you are part of intra-EC triangulation chain (where you act as an intermediary in supplying goods to a customer in another EC member state which are directly dispatched from a third member state).

• On each invoice, the customer's country identifier and VAT registration number.

New Customer Details

Name:
Magazin Renaissance et Cie

New Customer

Address: 15 rue d'Honneur
Montparnasse
14e Paris
France

46 52 56 75

Contact: Georges Aubisson

46 52 56 76

VAT No: FR ▼ 89365128 6

☐ Involved in Process Work
☐ Triangular Transactions

In Bottom Line, the above information is generated for you according to the country identifier that you use to prefix the customer's VAT registration number as described on the

Customer VAT Details (continued)

VAT No: The country identifier is preset to GB - leave this prefix when setting up an account for a customer based in the UK. For a country outside the EC, select the blank option from the pop-up menu.

If the customer is based in another EC member state, use the pop-up menu to select the correct country identifier - for example, FR for France; ES for Spain. If you are uncertain which prefix to use, refer to your VAT booklet for further assistance.

Transactions posted to customers with prefixes other than GB or blank will be treated as EC sales and recorded in the appropriate manner on VAT Returns, EC sales lists and invoices.

Having set the country identifier, enter the customer's VAT registration number.

Involved in Process Work: If the customer is based in another EC member state, click here if you are processing goods for that customer.

New Customer Details

Name:
Magazin Renaissance et Cie

Address: 15 rue d'Honneur
Montparnasse
14e Paris
France

Contact: Georges Aubisson

46 52 56 75

46 52 56 76

VAT No: FR ▼ 89365128 6

☐ Involved in Process Work
☐ Triangular Transactions

Triangular Transactions: If the customer is based in another EC member state, click here if you are acting as an intermediary supplier of goods which will be dispatched directly from a third member state.

Customer Terms

The next entry – **Payment Terms** – allows you to specify the number of days in which you expect the customer to pay for the supplies or services received. You may insist on payment at the point of sale or allow the customer to pay amounts owing within an agreed period.

Whenever you post an invoice to this account, Bottom Line uses the specified number of days credit to calculate when payment is due after the invoice date. Any invoices remaining unpaid beyond the time period specified are deemed overdue on the Aged Debtors report and statement.

New Customer Details
Name: Magazin Renaissance et Cie
Address: 15 rue d'Honneur
Montparnasse
14e Paris
France
Contact: Georges Aubisson
46 52 56 75
46 52 56 76
VAT No: FR ▼ 89365128 6
☐ **Involved in Process Work**
☐ **Triangular Transactions**

Terms

Payment Terms: 30 days **Credit Limit:** 5000.00

Early Settlement Discount: 10.00 % …if paid within 14 days

Payment Terms: Enter the number of days that you will allow for payment of invoices, starting from zero for immediate payment.

Credit Limit: Use this option to control the amount of credit extended to this customer. When entering invoices, Bottom Line warns you if the customer's credit limit is being exceeded. If unlimited credit is allowed, leave this entry as zero.

Customer Terms (continued)

In addition to normal credit facilities, you can specify an **Early Settlement Discount**. This is a special arrangement which allows the customer to deduct a specified percentage from the invoiced amount in exchange for early payment.

Having entered the Early Settlement details, Bottom Line calculates the discount allowed for each invoice raised against this customer as described in the .

There is a further note about Early Settlement Discounts

Early Settlement Discount: If applicable, enter the discount percentage allowed for early payment…

…then enter the number of days the customer is allowed in order to qualify for that discount.

More about Early Settlement Discounts

Don't confuse the Early Settlement Discount with the normal trade discount that can be deducted from goods regardless of whether the payment is made early or at the end of the credit period. A normal trade discount is entered directly when raising the invoice.

You should also ensure that you have set up a General Ledger account to receive the Early Settlement Discount amount – and that you have entered the number of that General Ledger account in the Sales Account Details panel (as described in the previous chapter).

Balances

Unless you are starting a new business, you will need to transfer all uncleared invoices, credit notes and payments for each existing customer. However! Before you enter the outstanding customer balances, you are advised to read the notes on these entries

Due for Payment: EITHER, leave this entry blank so that the uncleared invoices and credit notes can be posted to this account…

…OR, type the total amount that has yet to be paid by this customer.

New Customer Details

Name:
Magazin Renaissance et Cie

New Customer

Address: 15 rue d'Honneur
Montparnasse
46 52 56 75

Balances
Due for payment: 0.00
Unallocated receipts: 0.00

Turnover
This year: 12689.37
Last year: 23956.80

Save   Ignore   Close

Unallocated Receipts: EITHER, leave this entry blank so that the prepayments can be posted to this account…

…OR, type the total receipts yet to be allocated for this customer.

Entering Cash Values

Due For Payment and Unallocated Receipts only apply if there are 'open items' - such as unpaid invoices, outstanding credit notes or cash paid on account by this customer.

Balances (continued)

To ensure continuity with your previous books, the **Balance Due for Payment** entry allows you to carry forward the amount outstanding for each customer. You can enter the outstanding customer balance in one of two ways…

The first, and strictly correct, way is to leave this entry **blank** and enter all uncleared invoices and credit notes to this account as described in the . When you do this, Bottom Line updates this Balance to the Customer record — and, on posting to the General Ledger, adjusts the relevant Revenue account balances.

The second option is to type a single balance amount in the Customer record — which, in turn, will update the Sales Ledger but not the General Ledger. The facility to directly enter the Balance amount is only available during the initial setting up period — once this period is closed, the customer balance can only be updated by raising the relevant transactions.

The **Unallocated Receipts** entry records the total money received on account and which has yet to be allocated to specific invoices and/or credit notes.

If you are transferring an existing customer account then you are faced with the same choice described opposite – do you take the (initially) easy option of entering the unallocated receipts as a lump amount or do you enter them individually?

Cutting Corners

Entering a single balance amount is a lot quicker than posting the outstanding transactions one at a time. HOWEVER! if you do this, you will need to keep referring back to your previous books to check which receipt matches which invoice until, eventually, all the items are cleared. In other words, entering a single balance amount may be easier at the outset but could cause more work in the long run.

Turnover

If switching to Bottom Line part way through your financial year, you can use the **Turnover This Year** entry to transfer the total value of business transacted with this customer for the current year.

Similarly, if you want to transfer the value of business conducted with this customer for the previous year, use the **Turnover Last Year** entry to transfer the total turnover for the previous year.

New Customer Details

Name:

Magazin Renaissance et Cie

Address: 15 rue d'Honneur

Montparnasse

46 52 56 75

Balances

Due for payment: 0.00

Unallocated receipts: 0.00

Turnover

This year: 12689.37

Last year: 23958.80

Save Ignore Close

If applicable, enter the total total value of transactions with this customer for the year to date, including the outstanding balance but minus any open items that you have not already entered and intend to enter separately…

…then do the same for the previous year.

More about turnover

There is no need to enter the turnover amounts straight away. In fact, it is advisable to postpone entry of the current turnover until you have posted any outstanding transactions to this account. You can then return to this window and top up the net turnover figure so that it correlates with your existing books.

Once you have set up the turnover, Bottom Line will maintain these figures for you.

Saving the Customer Account

Having entered the relevant information, save the new customer account as shown here. Once saved, the new account appears in the appropriate category window.

Renaissance

New Customer Details

Name:

Magazin Renaissance et Cie

New Customer

Address: 15 rue d'Honneur

Montparnasse

46 52 56 75

Type a short unique reference name for this account.

Balances

Due for payment: 0.00

Unallocated receipts: 0.00

Turnover

This year:

Last year:

| Save | Ignore | Close |

New Customer

Customer Name:

Renaissance

Click the customer category in which you want to save the account.

Customer Category:

Contracts – EC
Contracts – Local
Contracts – Other
Contracts – UK
Resales – EC
Resales – Local
Resales – Other
Resales – UK

Cancel

OK

OR, Click here to close the window. If any unsaved details are detected, you will be asked to save or ignore any changes.

OR, Click here to erase the new account.

Click here to add the customer account to the database. You will now see this dialogue…

Click OK to add the new account.

Modifying a Customer Account

If, at any time, you want to check or modify the details for a particular customer then open the relevant category and account like this…

From the Sales Ledger window, double click the customer category containing the account you want to change.

EITHER, by Icon…   OR, by Name…

Contracts – EC

Byzantine	Byzantine Designs
Kloer	Kloer International
Lyonaisse	Lyonaisse
Renaissance	Magazin Renaissance et Cie
Verrechia	Verrecchia Classico

Double click the relevant account icon or name to open it.

Lyonaisse

Customer Details   Current Transactions

Double click the Customer Details icon to access the existing details for this customer…

…then make the changes in the usual way.

Alter Customer Details

Name:
Lyonaisse

Address: 15 quai Gasperon
Lyon
69002
France

827.36.94

Contact: Patrice

827.36.98

If you intend to edit the Balance amounts then

Editing Cash Values

In order to correct any initial errors quickly and with the minimum of fuss, the Alter Customer Details window includes the facility to edit the cash values, as well as text entries. This facility also offers flexibility over the entry of turnover values which you may want to enter immediately or postpone to another, more convenient, time.

However! You should take care when modifying the entries for **Balance Due for Payment** and **Unallocated Receipts.** You may only edit these values during the initial setting up period – and each time you do this, Bottom Line reminds you that any changes will not be reflected in the General Ledger…

Once you have closed the startup period, the integrity

> ✋ You have manually altered the current balance. This alteration will not be reflected in the balance sheet.
> Is this OK?
>
> [Cancel]   [OK]

of each account balance is then maintained by posting the relevant transactions — as described in the .
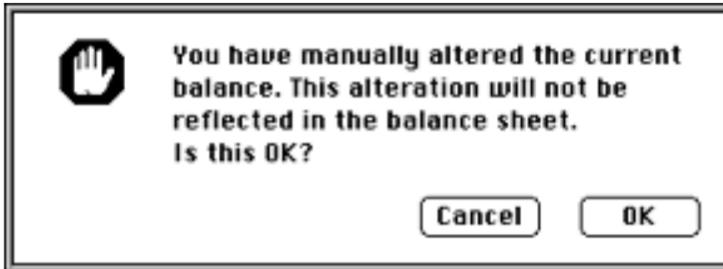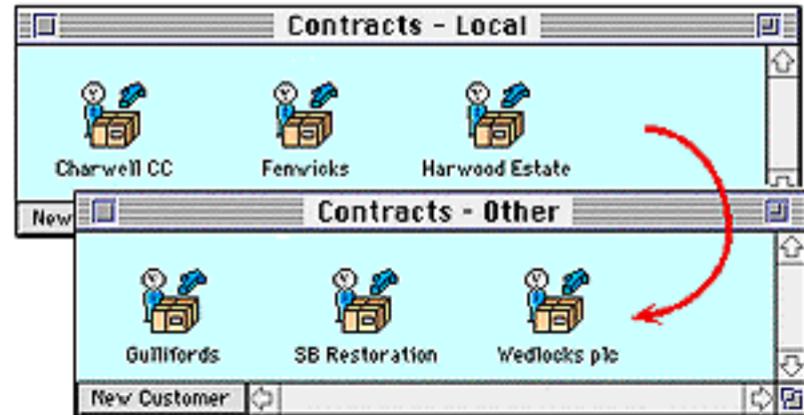
Viewing Customer Accounts

The accounts assigned to each customer category can be viewed in one of two ways – as icons or as a list of account names. To switch from one mode to another, choose the relevant option – By Icon or By Name – from the View menu.

Re-organising Customer Accounts

As the customer database expands, you may find that you want to re-organise your customer accounts - for example, to relieve any categories which are bulging at the seams.

Use Change Item… from the Edit menu to transfer an existing customer account from one category to another as illustrated on the

Re-naming a customer account

You can also use the Change Item command to revise the customer's short reference name without necessarily moving it to a different category — simply type the new reference name for the account in the Change Customer dialogue box but leave the existing customer category unchanged.

First find your customer

You can locate a customer account by first locating the customer category, opening it then locating the customer's name.

Alternatively you can choose Find from the Edit menu to locate a customer by name (or part of the name). Find is explained in Chapter 19.
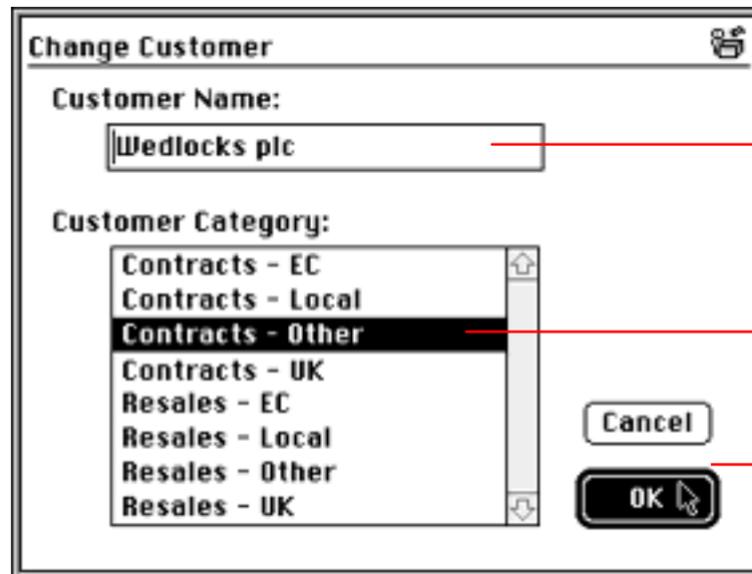
Transferring a customer account to a different category

Contracts - Local

Charwell CC Fenvicks Harwood Estate Wedlocks plc
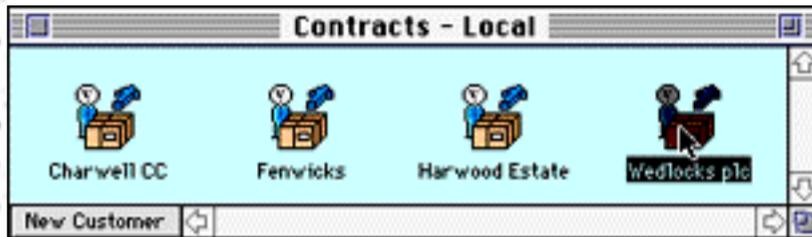
New Customer

Open the relevant customer category then select the account that you want to move by clicking its icon (or if viewing By Name, by clicking the account name).

Edit

Undo	⌘Z
Cut	⌘X
Copy	⌘C
Paste	⌘U
Clear	
Select All	⌘A
Find	⌘F
Delete Item	⌘K
Change Item...	

Choose Change Item from the Edit menu to display this dialogue…

Change Customer

Customer Name:

Wedlocks plc

Customer Category:

Contracts - EC
Contracts - Local
Contracts - Other
Contracts - UK
Resales - EC
Resales - Local
Resales - Other
Resales - UK

Cancel

OK

If necessary, change the account's reference name to match the indexing system in the destination category.

Click the new destination category to select it.

Click OK to transfer the account to the selected category.

Chapter 7 - 20

Deleting a Customer Account

Sooner or later you may want to delete all those customer accounts which are quietly gathering dust. You can do this provided that…

- The account balance is zero.
- There are no open transactions with this account.

Having satisfied these two conditions, delete the redundant customer as described opposite…

Preserving History

Bottom Line allows you to delete a customer provided that you comply with the above conditions. However! The report 'Customer List' illustrates turnover for the current and previous years which provide a total for all customers in the database. To preserve the integrity of these statistics, you may therefore want to retain customers on file for a couple of years until their turnover figures are also zero.

Open the relevant customer category then select the account that you want to remove by clicking its icon (or name).

Choose Delete Item from the Edit menu to display this dialog…

…click the Delete button to remove the unwanted customer account.

Are you sure you want to delete the customer Brakespeares ?

Cancel   Delete