

# Highlights: Financial

SYSPRO 8

Reference Guide

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## Financial

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# Financial

The following provides a summary of the newly-developed features and functionality available in **SYSPRO 8**.



SYSPRO optimizes financial business operations ensuring the on-going development of relevant functionality and governance for the improvement of business efficiencies.

## 2020-R2

### VAT reverse charges for tax submission

The **VAT reverse charges for tax submission** feature lets SYSPRO record VAT that would've been paid by a company if services were procured from within their EU state, but which were in fact procured from another EU state. It caters for VAT requirements in UK and EU countries that need to disclose reverse charges when submitting tax reports.

The notional tax transactions are accumulated and made available for subsequent reporting using the MTD 9-Box **Tax Return** report and the **Tax Return Tool**.

To determine the reverse charge amounts, a notional invoice is raised with the same value as is reflected on the actual invoice. Tax is then calculated using local tax rates. A notional tax credit note is generated to contra and therefore cancel the notional invoice.

Changes on the MTD 9-Box Return:

- The notional tax value of the invoice is displayed in box 4 (VAT Reclaimed)
- The notional tax value on the credit note is added to box 1 (VAT Due).
- The effect on the Net VAT in box 5 is thus zero.



The notional invoice and tax credit notes are pro forma entries with implied costs and are not recorded against the supplier.

# 2020-R1

## Trial Balance Totals

The suite of GL Trial Balance programs now includes summary totals for the current financial period according to the defined GL accounts. This is displayed in the final page of the report in a **Company totals - Summary for current period** page.

This feature includes the following programs:

- GL Trial Balance
- GL Trial Balance for Excel
- GL Trial Balance by Group

This report also displays an account type breakdown at the end of each group defined for ledger codes (if you are generating the report for a current period or year-to-date).

## Digital Tax Developments

### UK VAT Return Reports

SYSPRO's suite of tax programs has been bolstered by functionality that lets you generate, print, reprint and submit a 9-box-grid UK VAT return.

### Affected Programs

- **Tax Return**

This program lets you generate a report that consolidates sales tax information for ease of submitting tax returns to authorities.

The report is designed to meet the MTD tax requirement as set out by UK legislation.

The printing and/or reprinting option was enhanced to facilitate the following:

- Print unprinted transactions.
- Reprint all transactions.
- Reprint non-submitted transactions.
- Reprint and submit non-submitted transactions.

- **Tax Return Status**

This program lets you generate a report displaying the total number of tax return transactions that haven't yet been printed; that have been printed but not submitted; and that have been printed and submitted according to the defined tax years and periods.

Because you now have a record of the status of tax return submissions, you can make informed decisions regarding the criteria for which you would like to generate the **Tax Return** report.

- SYSPRO's **Executive View** includes two new customized panes:

- **Tax Return Status (Summary)**

This customized pane lets you view the total number of tax return transactions that have not yet been printed; printed but not submitted; and printed and submitted according to the defined tax years and periods.

- **Tax Return Status (Detail)**

This customized pane lets you view details of transactions that have not been printed and not submitted, for the range specified. Information such as **Journal, Invoice Reference, Tax value** and **Status**, could be required for query purposes.

As with the **Summary** view, you can view the total number of tax return transactions which have not been printed, submitted and not yet submitted.



These panes let you check the submission status without running the reports.



The data displayed (extracted from the [ADMTaxReturn](#) table) is only for the current and previous two periods.

## Cash Book Tax Distribution by Tax Code

Accumulated tax amounts on deposits and withdrawals can now be defined by ledger code or by tax code (by selecting the **GL code by tax code** option at the **DEFAULT TAX CODE** setup option (*Setup Options > Tax > Cash Book*)).

You must define the ledger codes and descriptions per tax code, using the **Tax Code Setup** program.

When the deposit or withdrawal transaction is posted, the ledger codes and tax amounts can be viewed in the following programs:

- Tax Return
- Cash Book Journal
- Cash Book Tax Report
- Cash Book Print

## Tax on Settlement Discount

The **Tax on Settlement Discount** feature lets you distribute the tax portion across multiple tax codes associated with the original invoice. This is controlled by the **DETERMINE TAX BASED ON INVOICE PAID** setup option.

All programs in the **Accounts Receivable** and **Accounts Payable** modules handle **withholding tax** and **tax on settlement discount** concurrently, depending on the configuration settings.

### Affected Programs

The following programs in the **Accounts Payable** module were enhanced to calculate the tax amounts per tax code:

- Payment Cycle Maintenance
- AP Release Invoices to Pay by Review
- AP Automatic Release of Invoices to Pay
- Execute AP Payment Run
- AP Manual Check Entry

## Tax Transaction by GL Allocation Account

SYSPRO's suite of tax programs has been bolstered by the addition of the **Tax Transaction by GL Allocation Account** report program.

This report lets you generate a tax return breakdown by ledger code, indicating those accounts to which tax-related transactions have been posted for electronic or manual submission to tax authorities.

It gives tax authorities extra assurance that returns have been accurately completed.

## 2019-R2

### Digital Tax Tool

The **Digital Tax Tool** feature lets you generate tax returns for electronic and/or manual submissions. This is in response to tax authorities around the world increasingly requiring businesses to submit VAT and GST returns in an electronic format.

The feature also assists with tax queries and reconciling VAT entries from the transactions in the company's general ledger.

### Customer Complaint System

The **Customer Complaint System** feature forms part of the Quality Management System that provides a platform for customers to raise complaints and for the organization to investigate and take the necessary action to address these complaints.

Once a complaint is received and categorized, possible corrective and/or preventative action can be developed and implemented to ensure customer satisfaction is maintained.

### Detail Posting to Control Accounts

The **Detail Posting to Control Accounts** feature lets you configure control account integration to General Ledger in detail. Previously, transactions to control accounts were consolidated and written to the ledger in summary, regardless of your integration level. The detail lines are now printed on distribution reports and can be viewed using the **GL Query** program as well as from within the relevant ledger journal maintenance program.

The detail integration to control accounts facility has been added to the following modules:

- Inventory Control
- GRN
- Trade Promotions
- Work in Progress
  - Part Billings
  - Labor Posting

## Tax on Settlement Discount

The **Tax on Settlement Discount** enhancement enables all programs in the **Accounts Receivable** and **Accounts Payable** modules to handle withholding tax and tax on settlement discount at the same time.

The user interfaces of the programs weren't changed, only the calculation for tax on settlement discounts was adjusted and is now calculated according to the selected tax codes. The same tax codes (and therefore percentages) that were applied to the invoice lines are applied to the settlement discount.

### Setup Options

The following setup options must be enabled to apply this feature:

#### CALCULATION FOR TERMS DISCOUNT

*(Setup Options > Preferences > Financials > Accounts Receivable)*

- Determine tax based on invoice paid
- Include tax
- Credit and/or debit notes

### Affected Programs

- AR Payments and Adjustments
- AR Period End
- Cash Posting Worksheet
- AR Post Permanent Entries
- AR Finance Charge Calculation
- AR Initial Invoice Capture
- AR Currency Conversion
- AR Customer Code Conversion
- AR Collector Run Maintenance
- AR Post Dated Check Status
- AR Payment Run
- AR Credit Checking
- Master Sub-accounts
- AR Initial Invoice Capture
- AR Master/Sub Account Maintenance
- AR Invoice Posting
- AR Payment Run
- AR Payments Import



- Customers
- Cash Posting Worksheet
- Tax Return
- Document Print
- SO Counter Sales
- Customer-Supplier Contra
- Interface Import
- AR Payments and Adjustments business object
- Post Accounts Receivable Setup Options
- Query Accounts Receivable Setup Options



The AP payment cycle process is not affected by this change.

# 2019-R1

## GL Balancing Tool

This program lets you balance SYSPRO sub modules to the General Ledger, enabling you to find reasons for any difference between the two, as well as resolve any discrepancies. Discrepancies can occur because of data corruption (e.g. power outage during posting) unposted journal entries or journals being edited before posting to General Ledger. It is important that you resolve discrepancies, as inaccurate financials will have a detrimental effect on your financial reporting and planning.

## Multi-currency Payments

The **Multi-currency Payments** facility lets you make payments to a supplier and receive payments from a customer in a different currency. It lets you manage funds across various currencies and countries, reducing the risk of errors arising from manual calculations. It eliminates the need to process receipts and payments in alternate currencies and provides a complete audit trail of the transactions.

## Detail Posting to Control Accounts

The **Detail Posting to Control Accounts** feature lets you configure control account integration to General Ledger in detail. Previously, transactions to control accounts were consolidated and written to the ledger in summary, regardless of your integration level. The detail lines are now printed on distribution reports and can be viewed using the **GL Query** program as well as from within the relevant ledger journal maintenance program.

The detail integration to control accounts facility has been added to the following modules:

- Accounts Receivable
- Accounts Payable
- Assets
- Cash Book

## 2018-R2

### Optimized invoice terms and discount handling

- A new business object (ARSQAG) allows you to query customers' invoice details and age them according to the invoice terms code defined using the invoice ageing methods available for current period, previous period 1 or previous period 2.

The invoices can also be aged using the supplied aged date, the aged buckets held against the customer, or you can elect to ignore ageing.

Available invoice selections include zero current period invoices and zero retained invoices.

It also caters for credit control options such as credit status, highest invoice due, average number of days to pay and available discount due.

# 2018-R1

## Dunning System

The **Dunning System** feature manages the generating and distributing of periodic reminders for unpaid invoices.

This helps streamline the credit management process and reduce the risk of incurring bad debts. Once configured, the process can be automated to routinely send out payment notifications.

## Improved Balance Routines

To optimize month-end and year-end processing, the **Balance** functions in the following modules have been created as separate business objects and are no longer automatically included in the month-end or year-end processing:

- Accounts Payable
- Accounts Receivable
- General Ledger
- Cash Book
- Asset Register
- Purchase Order
- Work in Progress

Previously, the balance function was always automatically performed in conjunction with the month/year end routines.

### *Benefits:*

- Improve productivity with faster month-ends

## Improved Payment Cycle

A payment cycle can be completed without needing to first print a check remittance.

You can select from the following printing options within the Accounts Payable module:

- Print checks and remittance advices combined on pre-printed stationery
- Print checks and remittance advices separately on different stationery and/or printers
- Print only remittance advices
- Print nothing at all (useful for electronic payments as remittance advices are often not sent when paying via EFTs)

## AP/AR Exchange Rate Revaluation

This functional enhancement provides for better visibility, control and management of variances associated with purchase price variances and exchange rates in the purchasing cycle and sales cycle.

### *Benefits:*

- Better visibility of exchange rate variances allows for better control over variances during your purchasing and sales cycle.

## Electronic Tax Submissions

Supplementary Information: A tax reporting business object has been developed that produces a generic tax activity report in XML. This extract can be used in the creation of statutory tax reports.

### *Benefits:*

- An export facility **Tax Submission Query** for your input/output tax submissions.
- You now can create your own tax reports using this feature.
- Functionality now exists to extract tax data (Sales Invoices, Purchase Invoices and Cash Book, etc.) based on your defined filters and date selections.
- A generic extract template is available that allows you to develop your own reports or import into other systems.

## AR Tax on Settlement Discount

All programs in the **Accounts Receivable** and **Accounts Payable** modules handle **withholding tax** and **tax on settlement discount** concurrently, depending on the configuration settings.

The following programs in the **Accounts Receivable** module were enhanced to ensure that both types of taxes can be used at the same time:

- AR Payments and Adjustments
- AR Bank Deposit Slip
- AR Payments Distribution Query
- Payment Cycle Maintenance
- AP Manual Check Entry
- AP Release Invoices to Pay by Review

The **Re-establish Invoice** pane has been updated to accommodate this change.



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