Petty Cash

Business Central Hungarian Localization

HRP Europe Kft.

TOC

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1 Petty Cash handling in Dynamics 365 Business Central

This document provides detailed insight into the functionality of managing transactions in Petty Cash in the Microsoft Dynamics 365 Business Central Hungarian Localization Package.

The Petty Cash function provides a flexible and transparent solution for businesses whose business processes play a role in cash transactions. You can use the Petty Cash feature to issue stand-alone cash receipts or issue sales or purchase invoices where payment method is cash. Petty Cash documents are automatically created and linked to invoices.

The module contains the following functions:

- Set up Petty Cash
- Manage cash desks
- Define cash denomination
- Issue and print cash documents (receipt or payment)
- Manage cash periods and cash reports
- Automatic posting of cash movements

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2 Settings

To ensure that Petty Cash add-on is properly functioning you must first set up the module in accordance with the company's financial policy.

2.1 Pre-settings

2.1.1 Set up Bank Account Cards

To correctly set up Petty Cash add-on and ensure integration, you need to create **Bank Accounts,** as the cash-related automated postings are provided by Business Central Bank Account management. You need to create a Bank Account card per Petty Cash.

1. Click in the search box and type: **Bank Accounts**

2. After the menu item appears, click on the feature.

3. Press **New** button to create a new Bank Account card

4. Fill the **Name** field

5. Set up the **Bank Account Posting Group,** select SPN from the list.

6. Set the **Valuation Method** to **Daily Exchange Rate.**

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2.1.2 Create a journal template

You need to create a G/L journal by cashier.

1. Click in the search box and type: **General Journal Templates**

2. On the ribbon of the list view that appears, select **New**

3. Fill the **Name** and **Description** fields.

4. Select **General** for **Type** field and select **Bank Account** for **Bal. Account Type** field**.**

5. Create a Journal Batch for Petty Cash. Click **Navigate,** then click **Template** and select **Batches.**

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6. On the ribbon of the list view that appears, select **New** to create a new **Batch**

7. Enter The **Name** and **Description** freely

8. Select the previously created **Bank Account** as **Bal. Account No.**

PETTYCASH PETTY CASH | WORK DATE: 2020. 03. 17.

General Journal Batches

		Bal. Account Type	Bal. Account No.	No. Seri
Name ↑	Description			
→ PC-HUF ⋮	Petty Cash HUF	Bank Account	B00003	

2.1.3   No. Series

We need to create three new **No. Series** for Petty Cash documents.

- No. Series for Open Petty Cash documents

- No. Series for posted Incoming Petty Cash documents

- No. Series for posted Outgoing Petty Cash documents

1. Click in the search box and type: **No. Series**
2. Select **New** from the menu and create three new **No. Series** with the appropiate **No. Series Lines** as well. Tick the **Default Nos.** for each new records.

NO. SERIES | WORK DATE: 2020. 03. 17.   ✓ SAVED

Code ↑	Description	Starting No.	Endi... No.	Last Date Used	Last No. Used	Default Nos.
PC-DOC-HUF	Petty Cash Documents HUF	PC-HUF-00001	_	_	_	☑
PC-IN-HUF	Petty Cash Incoming Documents HUF	IN-HUF-00001	_	_	_	☑
→ PC-OUT-HUF ⋮	Petty Cash Outgoing Documents HUF	OUT-HUF-00001	_	_	_	☑

2.1.4 Set up Payment Methods

If you post a Purchase or Sales Invoice with Payment Method is cash then you can set up an automatic Petty Cash document creation as well. A prerequisite for that is the Cash Payment Method is set up correctly on the Payment Methods page.

How to set up Payment Methods:

1. Click in the search box and type: **Payment Methods**
2. On the ribbon of the list view that appears, select **New** to create a new **Payment Method** or **edit** the list to change an existing one
3. Enter **Code** and **Description**
4. The **Bal. Account Type** set to**: G/L Account**
5. **Check** in the **Cash** fields for billing and check in cash fields
6. For **Payment Type (Online Invoice)** field select **Cash**
7. Activate the **Petty Cash Mandatory** field

Code ↑	Description	Bal. Account Type	Cash	Payment Type (Online Invoice)	Petty Cash Mandatory	Bal. Account No.
BANK	Banki átutalás	G/L Account	☐	Transfer	☐	
BNKCONVD...	Banki adakonverzió belföldi ba...	G/L Account	☐	Transfer	☐	
BNKCONVI...	Banki adakonverzió nemzetközi...	G/L Account	☐	Transfer	☐	
→ CASH	Cash	G/L Account	☑	Cash	☑	
CSEKK	Csekkes fizetés	G/L Account	☐	Transfer	☐	

Note: Purchase or Sales Invoices with cash payment method has been selected can only be posted if you also select a Petty Cash code on the document. In addition, the dates (Posting Date, Document Date, Due date) must be monitored before posting, and posting is allowed only if the same dates are entered.

2.1.5 Cash Invoice Rounding Precision

To calculate the correct total for cash documents, you need to set the rounding precision for currencies (the smallest denomination for use must be specified). We have two options for setting cash rounding precision:

1. Cash Rounding Precision by Currencies

2. Cash Rounding Precision in LCY

Cash Rounding Precision on the selected Currency card:

1. Click in the search box and type: **Currencies**

2. On the ribbon of the list view that appears, select a currency and click **Edit**

3. Fill the **Cash Invoice Rounding Precision** field under the Rounding Fast Tab**.**

4. Set the C**ash Invoice Rounding Type** to "**Nearest"**

Cash Rounding Precision for local currency can be set on General Ledger Setup page.

1. Click in the search box and type: **General Ledger Setup**

2. Fill the **Cash Invoice Rounding Precision (LCY)** field under the General Fast Tab**.**

3. Set the C**ash Invoice Rounding Type (LCY)** to "**Nearest"**

2.2 Petty Cash Setup

On the Petty Cash Setup page, the user can set up features that affect all Petty Cash cards.

Open the Petty Cash Setup page:

1. Click in the search box and type: **Petty Cash Setup**

On the Petty Cash Setup page, you can specify the following parameters:

User Check: if activated then the Cash Desk can be closed by the assigned User. (See later at the Petty Cash User Rights function.)

Equal Account Type Mandatory: if activated then the account type and account number specified on the cash document header should be the same as on the cash document lines.

Post Journal On Close Petty Cash Doc.: Journal lines will be posted automatically when Petty Cash document turned to closed

Check Bal. Acc. No. on Gen. Jnl. Batch: Checking the setup of the General Journal assigned to the Petty Cash Account

Auto Create P.C. Doc. on Post Sal. Inv: Petty Cash document will be created automatically if the appropriate

Payment Methode was selected on the Sales Invoice.

Auto Create P.C. Doc. on Post Sal. Cr. Memo: Petty Cash document will be created automatically if the appropriate Payment Methode was selected on the Sales Credit Memo.

Auto Create P.C. Doc. on Post Purch. Inv.: Petty Cash document will be created automatically if the appropriate Payment Methode was selected on the Purchase Invoice.

Auto Create P.C. Doc. on Post Purch. Cr. Memo: Petty Cash document will be created automatically if the appropriate Payment Methode was selected on the Purchase Credit Memo.

In addition to the features listed above, on the Petty Cash Setup page you can set up **Petty Cash User Rights** and **Currency Denomination Units**.

Set up Petty Cash User Rights

If the **User Check** feature is turned on, only users set up for Petty Cash Desk can manage the specific Petty Cash activities.

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You can set up one Default cash desk per User per Currency. Later, when a purchase or sales invoice is created by the User after you select payment method, the default Petty Cash code will be filled under the Invoice Details FastTab.

Denomination units

If it is necessary to display cash by denomination during the cash desk closing then the denominations for that currency shall be determined.

In the **Denomination Units** window, you can define the following details:

Currency code: If the denomination setting applies to the default local currency (LCY), the Currency Code field remains blank. Otherwise, you must set up the Currency code for that currency.

Denomination: Denomination unit ID.

Description: The denomination symbol that appears on the period checkout summary.

Factor: The unit that will be multiplied by the specified number of pieces during denomination.

2.3 To set up Petty Cash (cash desk)

1. Click in the search box and type: **Petty Cash** (In this case, you will open the first Petty Cash card in the Petty Cash list)

2. Click in the search box and type: **Petty Cash list** then click the code of the home office that you want to edit

on the Petty Cash page you can define the following details:

Code: unique identifier of the cash desk.

Name: name of the cash desk.

Currency code: the currency you have set up for the cash desk.

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Closed: If activated, no additional cash document can be issued.

Document numbering Series: No. Series for open Cash documents

Petty Cash Receipt No. Series: No. Series for issued Incoming Cash documents

Petty Cash Payment No. Series: No. Series for issued Outgoing Cash documents

Journal Template Name: The ID of the journal template that you will use to create journal entries after the cash document has been closed.

Journal Batch Name: The ID of the journal batch which will be used to create journal entries after the cash document has been closed.

Balance Limit Control:

- **None** - The balance of the checkout is not checked
- **Maximum** - Checks to see if the checkout has reached the maximum balance

Max. Balance: the maximum cash pool that can be stored.

Mandatory Denomination: if the denomination of cash must be required in the periodic checkout reports, this setting must be activated.

Closing Period: the maximum number of days that can be recorded in open cash periods, which is checked before a new cash document is issued. If the number of days that exist in the open cash period reaches the value set here, it is possible to issue the cash document only if the period is closed and a new one is opened in accordance with the rules.

Optional values: **Not Mandatory, Per Day, Per Week, Per Month, Per Year**

For example, if the opening date is 01.01.2020, the closing period weekly, you can only record a cash document from 01.01.2020 to 07.01.2020. Periods are calculated in the standard BC.

Strict date check: A cash document can only be issued with the same Document Date as today.

Check Negative Balance:

- **Never** - The balance of the cash desk is not checked.
- **Warning** - A warning message is displayed if the issued current document changes the balance of its cash desk to a negative amount.

- **Error** - Displays an error message if the issued current document changes the balance of its cash desk to a negative amount, the error message prevents the cash document from closing.

Dimensions: Default Dimensions can be assigned to the cash desk, available from the Navigation menu.
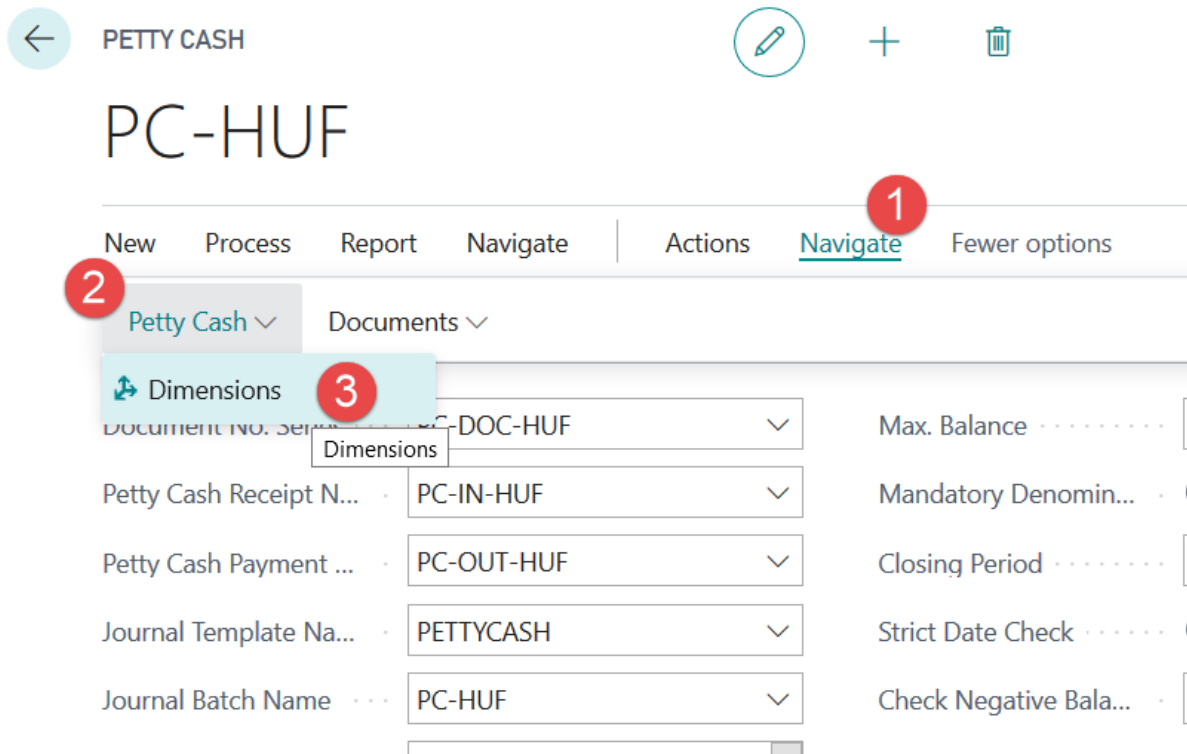
3 Cash periods

3.1 To open a period

A receipt and payment can only be recorded if the Petty Cash Desk has an open cash period. Periods are managed using the **Period Open** and Period **Closing** functions available on the Petty Cash page. You can open a period if there is no other open period for the Cash Desk and the opening date does not precede the closing date of the previous period.

Steps to open a Cash Desk period:

1. Click in the search box and type: **Petty Cash List**
2. After the menu item appears, click on the feature.
3. Select the Petty Cash desk on which you want to open the period

4. On the ribbon, click **Process**

5. Click **Open Period**

6. Enter the **Opening Date**

7. Open period appears on **Petty Cash** page

3.2 Report Selection – Petty Cash

1. Click in the search box and type: **Report Selection - Petty Cash**

The layout used for printing the cash document must be set up for both the Payment and the Receipt.

The code for the template (**42020102 - Petty Cash Document**) that is developed for this purpose can be selected in the Report ID.

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4 Creating Petty Cash Documents

4.1 Select the Cash Desk

1. Click in the search box and type: **Petty Cash List**

2. After the menu item appears, click on the feature

3. You must select the **Cash Desk** for which you want to open a cash receipt

4. On the ribbon, click **New**

5. Then select whether you want to record **an Incoming Document** or **Outgoing Document**

6. Select the **Incoming Document** function.

PETTY CASH INCOMING DOCUMENT | WORK DATE: 2020. 03. 18.

Receipt · PC-HUF-00001

Process   Navigate | More options

General

No.	PC-HUF-00001	VAT Registration No.	
Petty Cash Code	PC-HUF	Document Date	2020. 03. 18.
Account Type	G/L Account	Currency Code	
Account No.		Department Code	
Name		Project Code	
Name 2			

Lines | Manage   More options

	Petty Cash Title	Account Type	Account No.	Description	Gen. Posting Type	Gen. Bus. Posting Group	Gen. Prod. Posting Group	VAT Bu Posting
→		G/L Account						

The No. filed is automatically populated based on the Cash Desk setup.

For the **Account type,** you can choose one of the following: *Ledger Account, Customer, Vendor, Employee*. Depending on the account type you select, you can select a value in the **Account No.** field. The *Name* and *VAT Registration No.* fields are filled in automatically if they exist on the partner's datasheet.

7. Set the **Account Type** to **Customer**

8. Select Customer **10000 – Balux Kft**. for the **Account No.**

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The **Document Date** field is automatically filled in with the *Work Date*.

You can record cash movements in the **Petty Cash Lines:**

Petty Cash Title: It is a standard code where you can define recurring type business transactions

Account type: Options are G/L Account Account, Customer, Vendor, Employee. It inherits the value from the values in the head. If a Petty Cash Title code is set up, it will be filled automatically.

Account number: The number of the specific account or contact. It inherits the value from the values in the head. If a Petty Cash Title code is set up, it will be filled automatically.

Applies-to Doc. Type and Applies-to Doc. No.: Similar to General Journals, it helps to reconcile open invoices with the cash document

Description: description of the transaction.

Amount: amount of cash received/payed

9. Fill the Description field: **Test receipt**

10. Fille the Amount filed: **100000,-**

11. Select the **Close and Print** function from the **Process** menu for posting and printing the cash receipt.

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12. The **Cash Receipt** layout for printing appears

Receipt Cash Document

CRONUS Magyarország ZRt.	Document No.	IN-HUF-00001
Rétköz utca 5.	Document Date	2020-03-18
II. emelet	Petty Cash Code	PC-HUF
1118 Budapest	Currency	
Budapest		
VAT Registration No. 25997053-2-43		

Payer's Name and VAT Regsitration No.
Balux Kft.
789456278

Petty Cash Title	Type	No.	External Document No.	Description	Amount
	Customer	10000		Test receipt	10 000
					10 000
					Say: TENTHOUSAND FT

Drawer:	Controller:	Remitter:
Accountant:	Cashier:	Payer's signature: Identification Document:

4.2 Cash Desk History, re-printing cash documents

Closed and posted cash documents can be find in the following way:

1. Click in the Search box and type: **Closed Incoming Documents** or **Closed Outgoing Documents**

2. Select the **Print** function for re-printing the document.

4.3 Posting Cash Journal entries

Check the created Petty Cash record in the petty cash general journal line. (remember we do not set automatic posting on the Petty Cash Setup page)

1. Click in the Search box and type: **General Journals**

2. Select **Petty Cash journal**

3. Check the journal line and **Post** it. (The line is copied from the cash document and the Balance Account also filled automatically based on the setup)


5 Petty Cash Title Codes

When you record cash transactions then you can set up pre-defined Petty Cash Title codes on the lines making it easier to record data. (Similar to Standard Sales or Purchase Codes on Sales/Purchase Invoices)

5.1 To add Petty Cash Title Codes

1. Click in the Search boksz and type **Petty Cash Titles**

2. Select **New** from the menu

3. Fill the Code field and add all details too
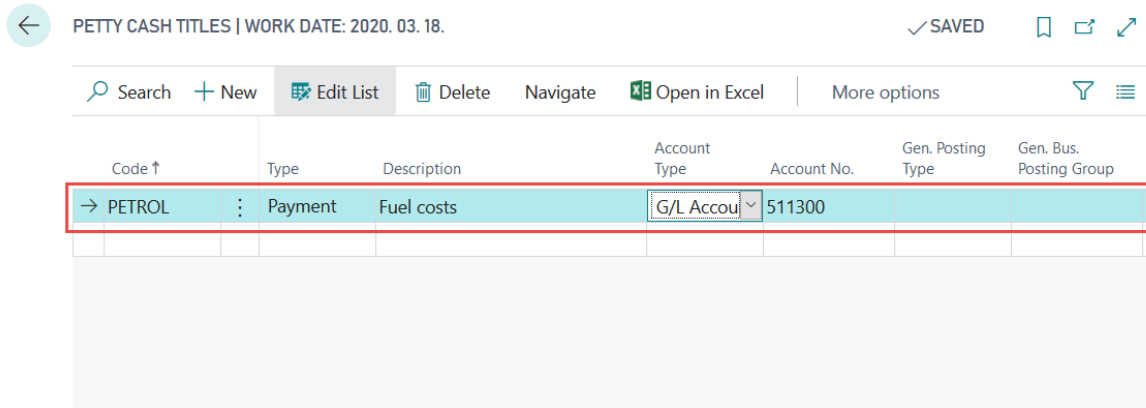
6 Purchase and Sales Invoices with Cash Payment Method

As described in the Set up payment methods section if the Petty Cash solution is set up in a payment method then a cash document will be created after the invoice has been posted.

The following settings must be activated ob the **Petty Cash Setup** page:

- Auto Create P.C. Doc. on Post Sal. Inv

- Auto Create P.C. Doc. on Post Sal. Cr. Memo

- Auto Create P.C. Doc. on Post Purch. Inv

- Auto Create P.C. Doc. on Post Purch. Cr. Memo

Users can make Sales Invoice in cash in the following way:

1. Click in the search box and type: **Sales Invoice**

2. On the ribbon of the list view that appears, select **New** to create a new **Sales Invoice**

3. Select **Customer**

4. Set the **Posting Date**, **VAT Date,** and **Due Date** to the same date (in the open cash desk period)

5. On the **Invoice Details** FastTab in the Payment **Mode code** select the **CASH** payment method.

6. On the **Invoice Details** FastTab the **Bal. Petty Cash** field should automatically populated.

7. Enter a Sales Line, Type=Item, No.=C00001 - Consultancy

8. Use the **Post function** to post the invoice.

9. The **Posted Sales Invoice** and the **Petty Cash Closed Incoming Document** are created.