ONE BUSINESS SERVICE - TRAINING

Accounts Receivable and Accounts Payable



What is Accounts Receivable

- Accounts receivable (AR) is the proceeds or payment which the company will receive from its customers who have purchased its goods & services on credit. Usually the credit period is short ranging from few days to months or in some cases maybe a year.

- Accounts Receivable is maintained by Accountants when the books of account are in **accrual basis.**

Checkpoints while doing jobs.

- Check for Debtors who are outstanding for more than 90 days.
- If any debtors are not cleared, check for the payments which maybe mistakenly recorded in Sales Account or any other account.
- Always attach supporting documents or prepare workings to support the balance of Accounts Receivable.



Accounts Receivable Summary in Xero

Aged Receivables Summary

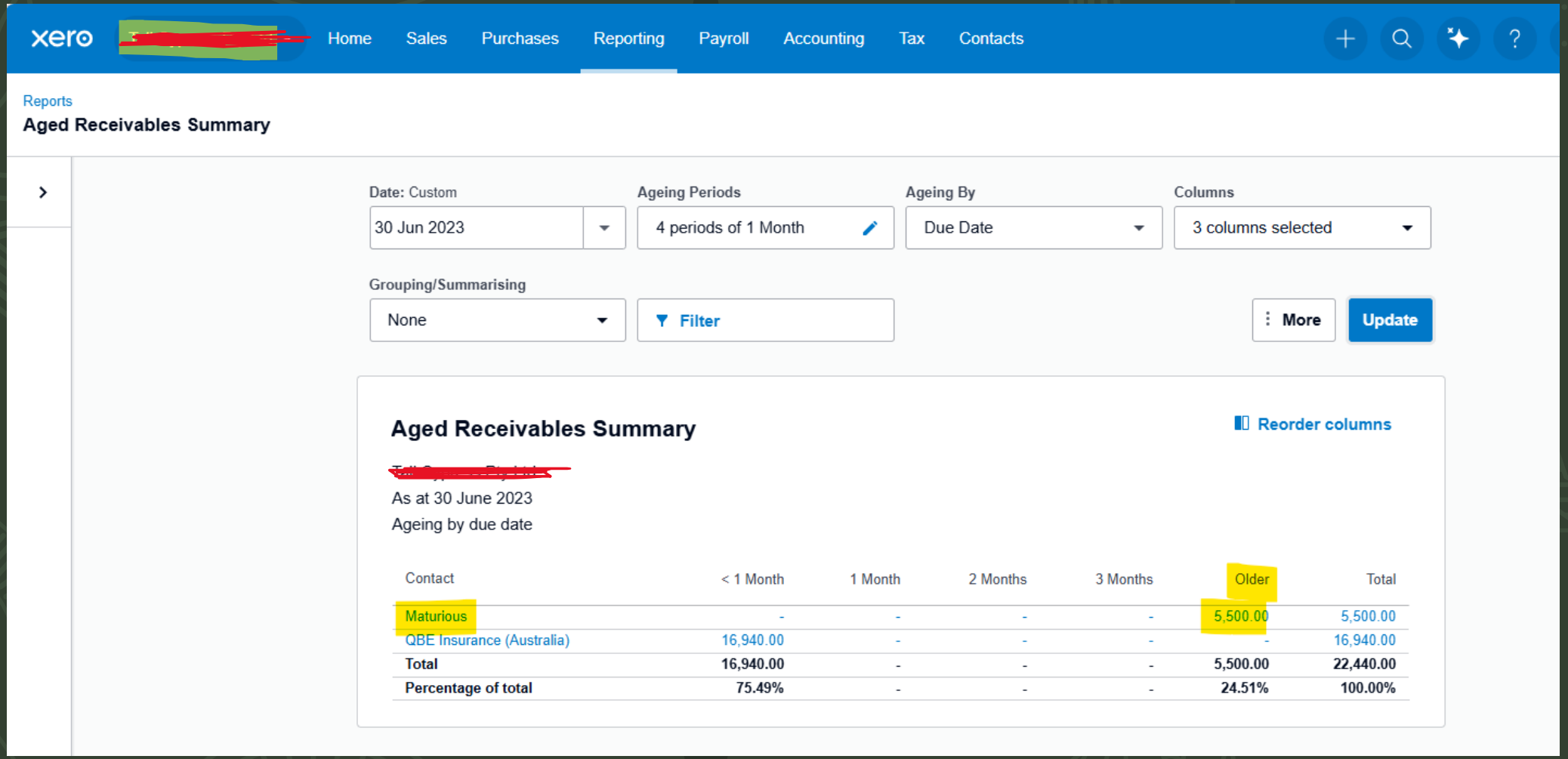
Reorder columns

As at 28 February 2025

Ageing by due date

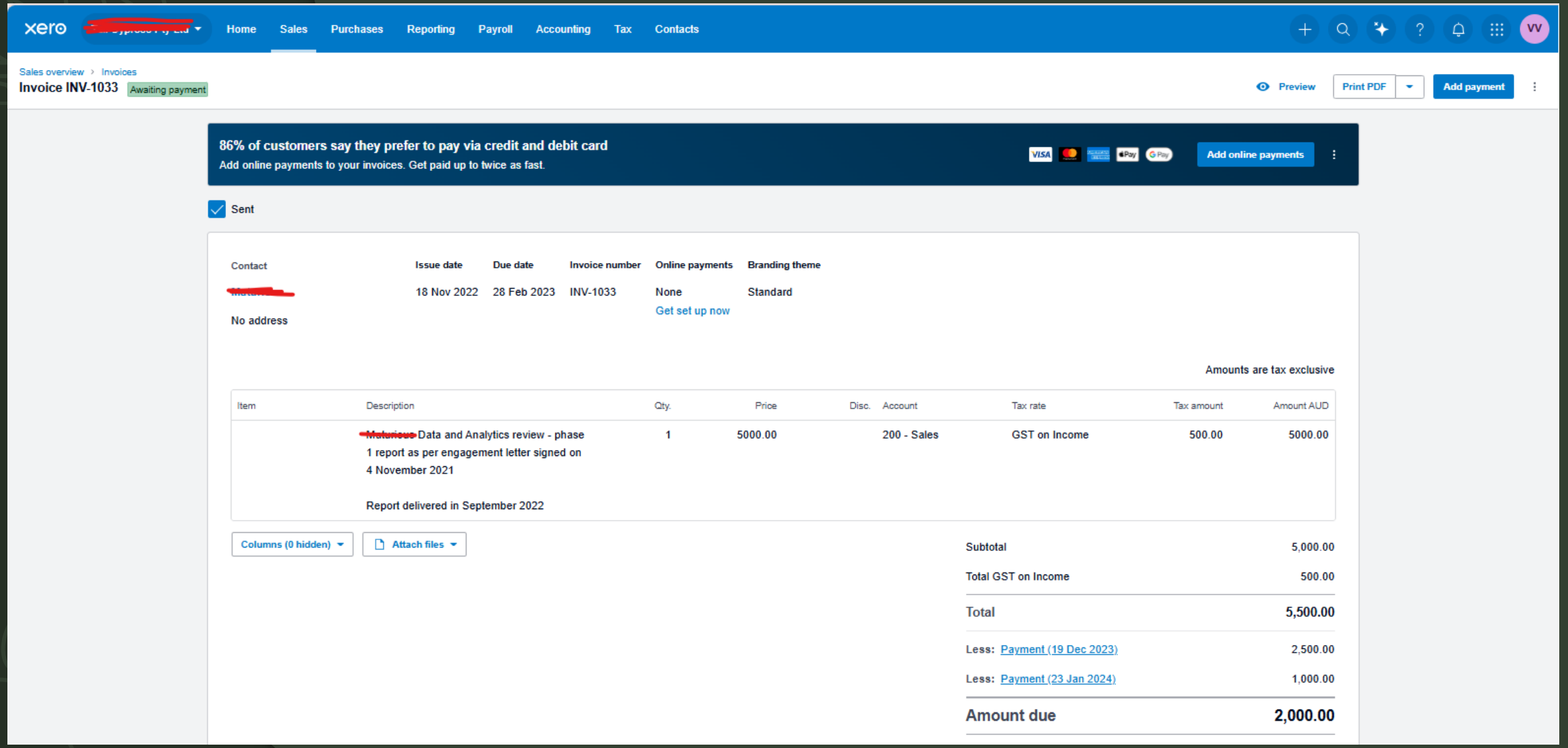
Contact	< 1 Month	1 Month	2 Months	3 Months	Older	Total
Allianz Australia Insurance LTD	1,485.00	-	-	-	-	1,485.00
Armidale Automotive Group	836.00	-	-	-	-	836.00
Avis Rentals	2,640.00	-	-	-	-	2,640.00
Cash Sale	2,508.00	-	296.00	-	-	2,804.00
Elders Insurance	660.00	-	-	-	-	660.00
Essential Energy	1,100.00	-	-	-	-	1,100.00
Glen Innes Panel & Paint	649.00	110.00	-	-	-	759.00
GT Insurance	660.00	-	-	-	-	660.00
Guyra Smash Repairs	555.50	1,143.00	-	-	-	1,698.50
Instant Windscreens	10,994.01	-	-	-	-	10,994.01
Johnson & Kennedy	847.00	-	-	-	-	847.00
KA & HE Blake	-	770.00	-	-	-	770.00
National Windscreens Pty Ltd	1,956.50	-	-	-	-	1,956.50
New England Motor Group T/AS Armidale Mazda & Suzuki	440.00	-	-	-	-	440.00
Peter Townsend Smash Repairs	11,946.00	7,034.50	-	-	-	18,980.50
Summit Leasing	564.52	-	-	-	-	564.52
Superair P/L	990.00	-	-	-	-	990.00
Total	38,831.53	9,057.50	296.00	-	-	48,185.03
Percentage of total	80.59%	18.80%	0.61%	-	-	100.00%

Accounts Receivables more than 90days



NOTE : If Any Debtors Are Outstanding For More Than 90 Days, Query Need To Be Asked Whether Those Amounts Are Receivable Or Need To Be Moved To Bad Debts

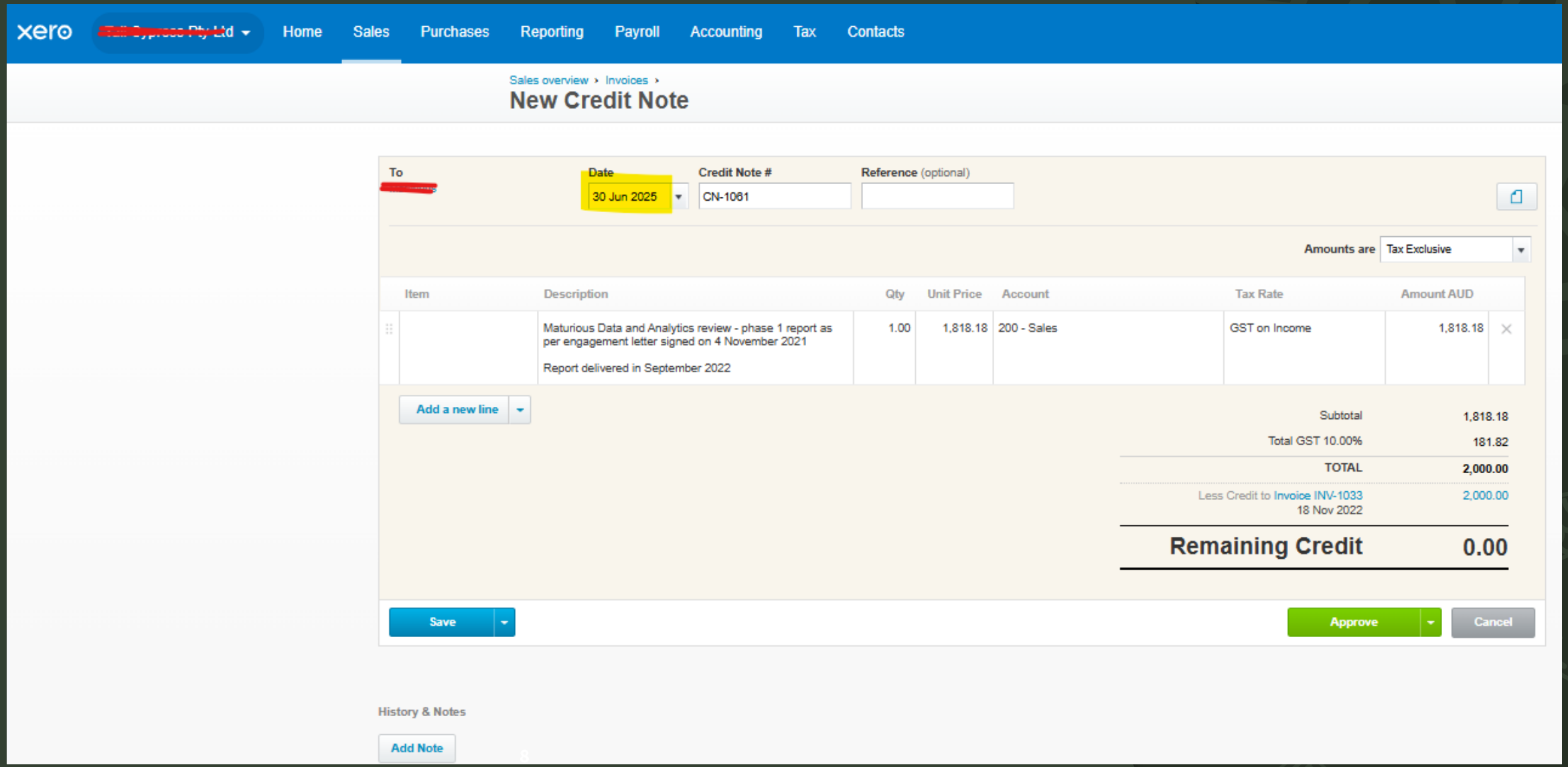
Invoice in Xero



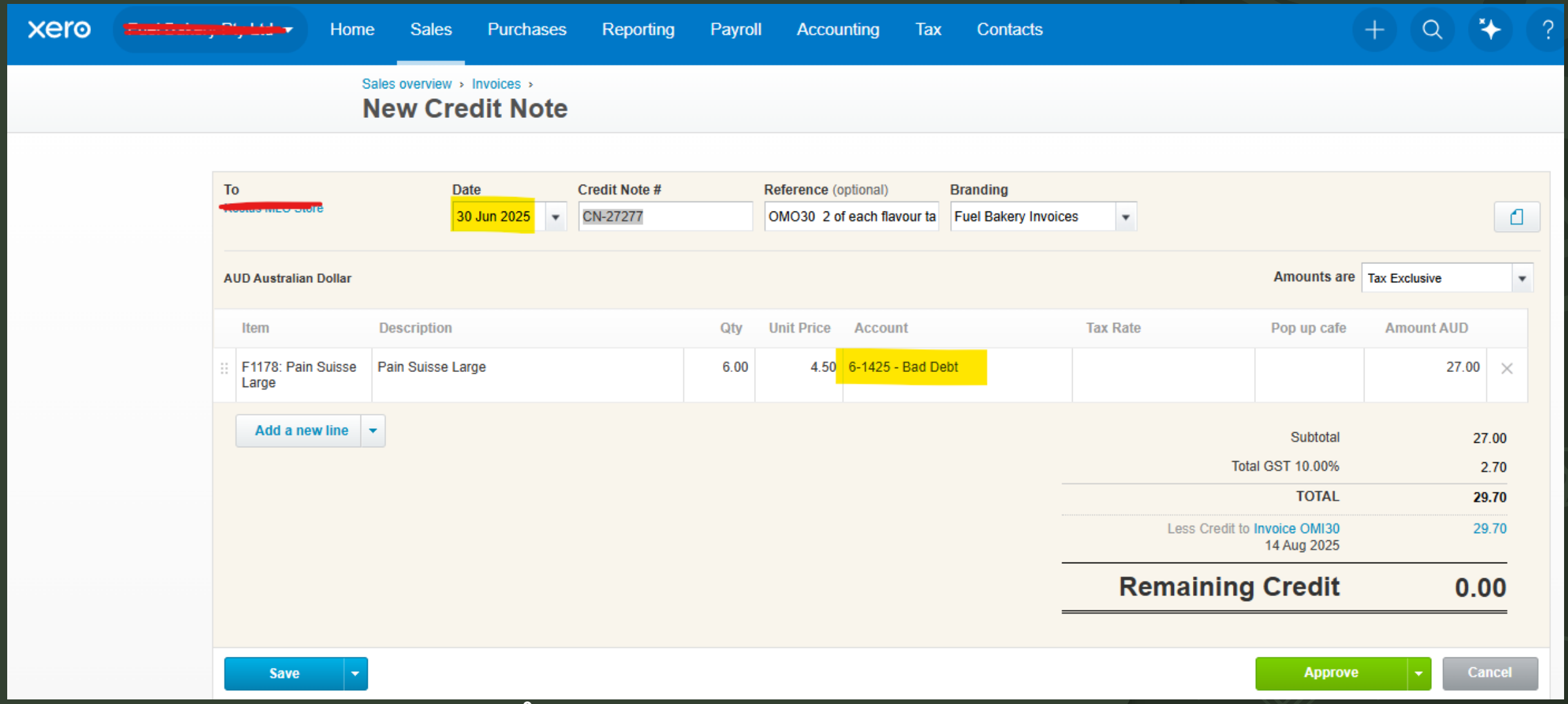
Other Important things while doing Debtors

- Raising Credit Notes.
- Considering Bad debts.
- Negative Debtors
- Manually taken Debtors

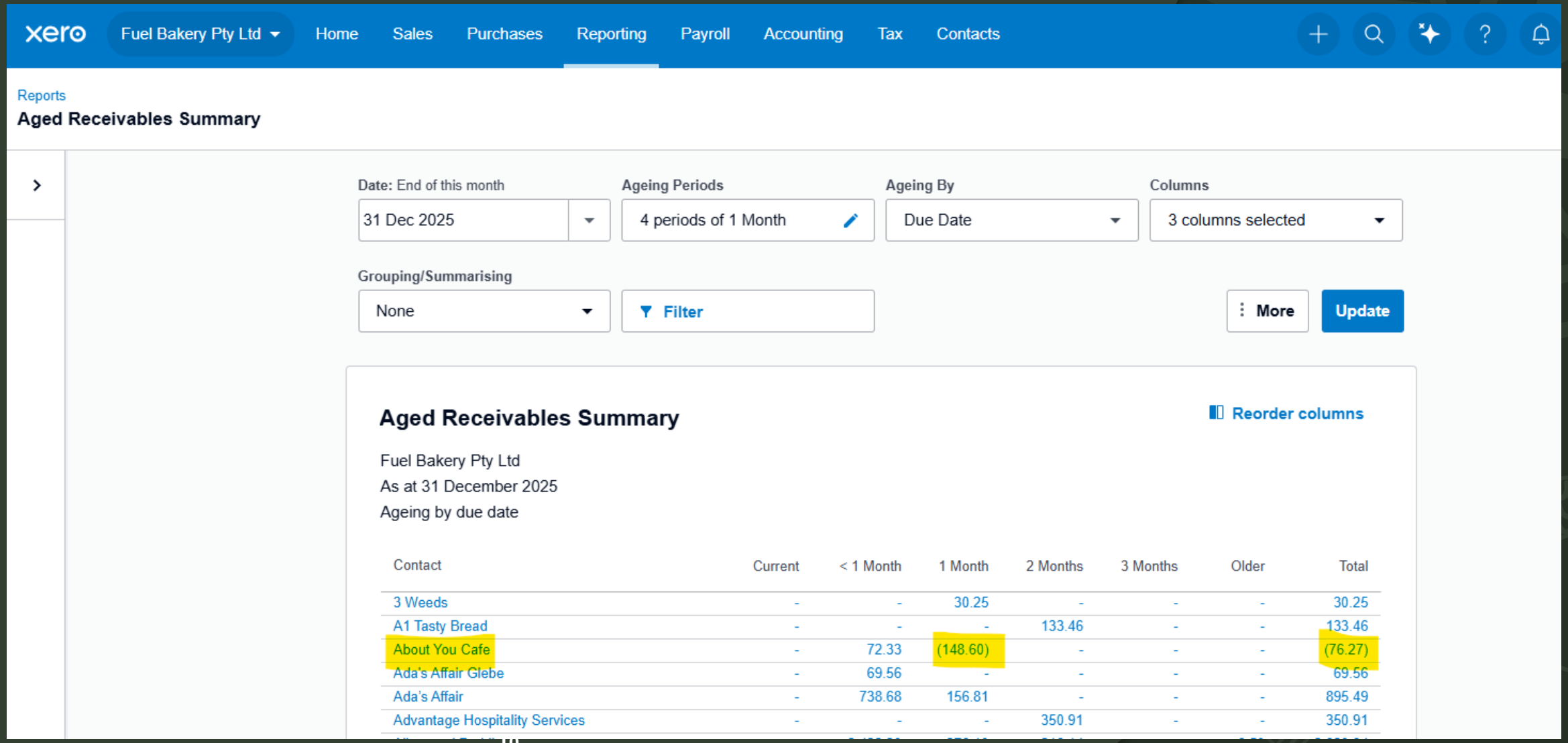
Raising Credit Notes



Considering Bad debts.



Negative Debtors

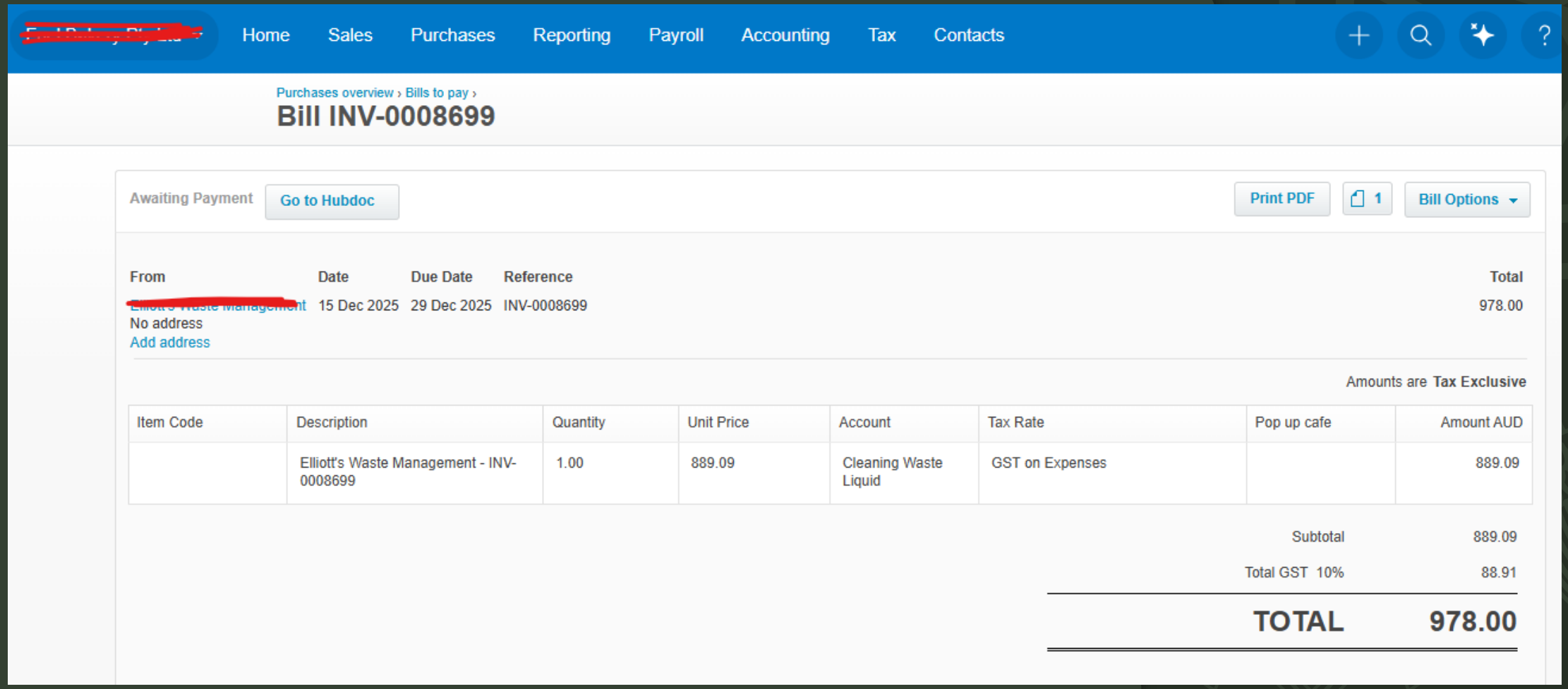


What is Accounts payable

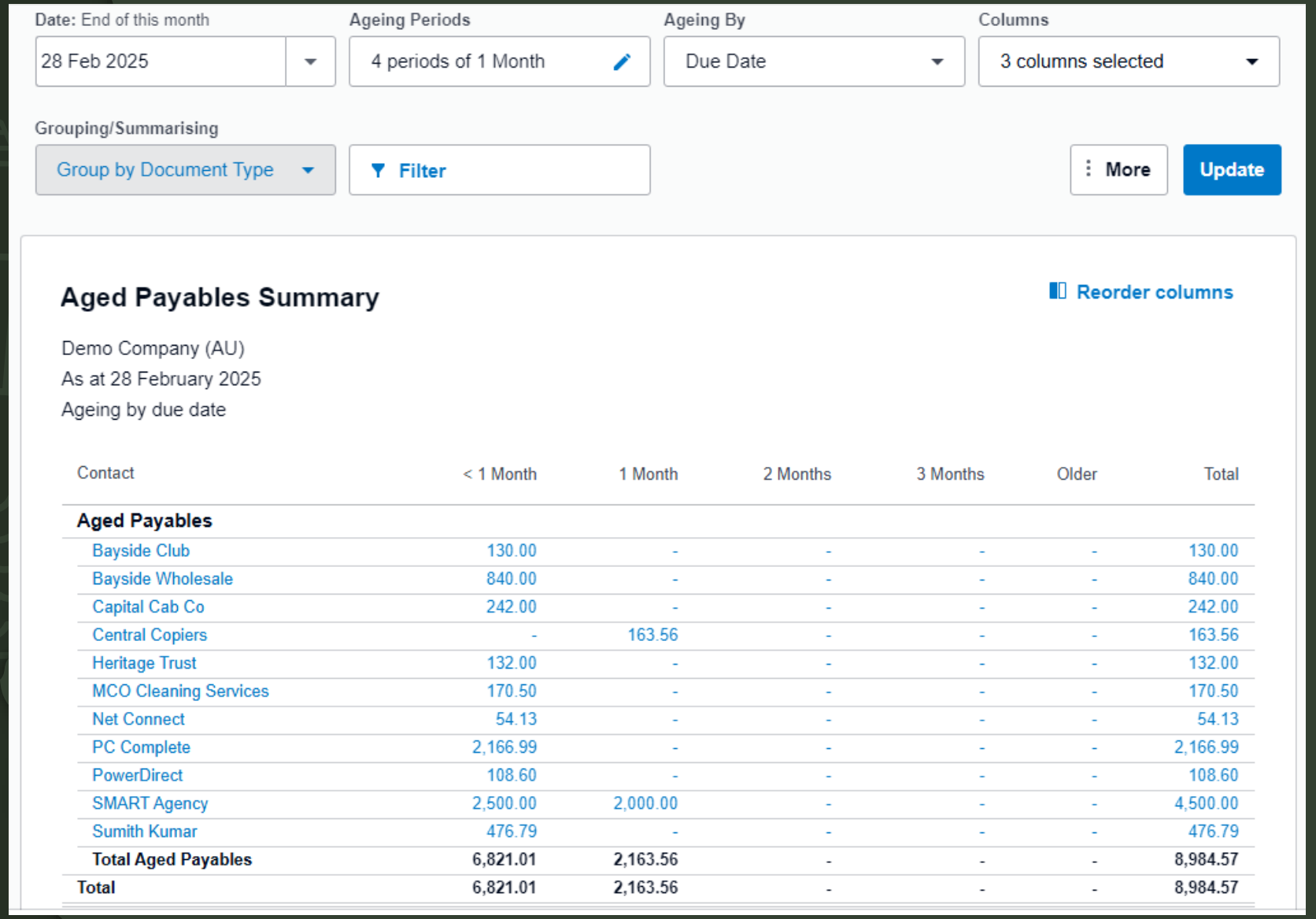
- Accounts payable, sometimes called “Payables,” is a key part of how businesses control their cash flow. in general accounting terms, ap is a current, short-term liability/debt for goods or services received on credit from a vendor. within a company's financial statements, accounts payable appears as a Credit on the balance sheet.

- Accounts Payable is maintained by Accountants when the books of account are in accrual basis.

Xero – Purchase Bill



Accounts Payable Summary in Xero



Contact	< 1 Month	1 Month	2 Months	3 Months	Older	Total
Aged Payables						
Bayside Club	130.00	-	-	-	-	130.00
Bayside Wholesale	840.00	-	-	-	-	840.00
Capital Cab Co	242.00	-	-	-	-	242.00
Central Copiers	-	163.56	-	-	-	163.56
Heritage Trust	132.00	-	-	-	-	132.00
MCO Cleaning Services	170.50	-	-	-	-	170.50
Net Connect	54.13	-	-	-	-	54.13
PC Complete	2,166.99	-	-	-	-	2,166.99
PowerDirect	108.60	-	-	-	-	108.60
SMART Agency	2,500.00	2,000.00	-	-	-	4,500.00
Sumith Kumar	476.79	-	-	-	-	476.79
Total Aged Payables	6,821.01	2,163.56	-	-	-	8,984.57
Total	6,821.01	2,163.56	-	-	-	8,984.57

Accounts Payables more than 90days

NOTE : If Any Creditors Are Outstanding For More Than 90 Days, Query Need To Be Asked

Aged Payables Summary

Reorder columns

[redacted]

As at 31 December 2025

Ageing by due date

Contact	Current	< 1 Month	1 Month	2 Months	3 Months	Older	Total
Aged Payables							
AGL Sales Pty Ltd	-	4,485.03	-	-	-	-	4,485.03
Arla Foods Mayer Australia Pty Ltd	-	630.96	894.32	-	-	-	1,525.28
Chefs' Warehouse	-	-	167.20	-	-	-	167.20
Chemi Call Pty Ltd	-	-	242.55	-	-	-	242.55
Elliott's Waste Management	-	978.00	-	-	-	-	978.00
F Mayer Imports Pty Ltd	-	142.76	673.62	-	-	-	816.38
Farmer Joe's Chickens	-	418.00	-	-	-	-	418.00
Food & Dairy Co	-	207.34	-	-	-	-	207.34
Hajos, Anstee & Associates	-	-	-	-	-	1,000.00	1,000.00
Healthy Kitchen	-	-	3,300.00	4,950.00	-	-	8,250.00
icare	23,882.08	-	-	-	-	-	23,882.08
JD's Bakery Repairs	-	-	566.50	-	-	-	566.50
Lindsay PieMaking Equipment	-	-	1,309.00	1,296.90	-	-	2,605.90
Manildra Group	1,571.72	-	-	-	-	-	1,571.72
MD Fresh	1,209.90	1,385.20	-	-	-	-	2,595.10
Next Business Energy	2,825.23	-	-	-	-	-	2,825.23
Northside Paper & Packaging	-	1,264.54	717.09	-	-	-	1,981.63
Opal Fibre Packaging	-	-	-	132.00	-	-	132.00
Ordumentum	-	796.49	-	-	-	-	796.49
Senior Paper Supplies	-	-	-	2,155.78	-	-	2,155.78
Simotas	3,175.90	5,400.89	683.30	-	-	-	9,260.09
Socrates	-	115.60	245.45	-	-	-	361.05
Two Providores	-	489.15	-	-	-	-	489.15
Total Aged Payables	**32,664.83**	**16,313.96**	**8,799.03**	**8,534.68**	**-**	**1,000.00**	**67,312.50**
Total	**32,664.83**	**16,313.96**	**8,799.03**	**8,534.68**	**-**	**1,000.00**	**67,312.50**

Thank you

BUSINESS SERVICE - TRAINING

TOGETHER WE ARE GREAT 🙏