Case Study

Failure to account for bills in Xero due to overlooking pages within the supplied PDF, which contained a few suppliers' bills to process.



Background: XYZ Ltd., an accounting firm offers accounting, bookkeeping, and financial services to various businesses across the country. I am responsible for one of XYZ's bookkeeping clients in the accommodation business sector. During last week's batch payment process, I encountered an issue with a bill attachment received via email. The attachment contained multiple pages and bills from various suppliers. I reviewed only the first two pages, and since the second page was blank, I mistakenly assumed it was a single-supplier bill and ignored the remaining pages in the attachment.

Problem: Missing Bills Due to Overlooking Multi-Supplier Attachment In the last batch payment process:

- A multi-page bill attachment was partially reviewed.
- Only the first page of the bill, which belonged to one supplier, was processed.
- The remaining pages, containing bills for other suppliers, were overlooked.

This oversight led to multiple bills being excluded from the batch payment, despite being due.

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Impact:

1.Delayed Payments: Several suppliers did not receive their payments on time due to the missed bills.

2.Supplier Complaints: The accommodation business client received complaints from suppliers about delayed payments, which strained their vendor relationships.

3.Workflow Disruption: XYZ's staff had to identify and process the missed bills separately, creating additional workload and inefficiency, due to Australia and India time gap.

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Solution:
Improving Bill Review and Processing Practices

To resolve the issue, the following corrective actions were implemented:

1.Enhanced Review Process:

1. Adopted a detailed bill verification process to ensure every page in an attachment is reviewed.
2. Introduced a checklist for processing bills from the mailbox to avoid missing multi-supplier attachments.

2.System Customization:

1. Implemented document-splitting tools in the accounting software to detect and separate multi-supplier invoices automatically.

3.Regular Feedback Review:

1. Incorporated client feedback into a weekly review to address recurring issues and refine processes.

4.Improved Staff Training:

1. Conducted training sessions on managing large attachments and identifying hidden pages or multi-supplier invoices.

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Results:

1.Timely Payments: Implementing the enhanced review process ensured no invoices were missed, enabling timely payments.

2.Improved Accuracy: The detailed checklist and training improved accuracy in bill processing.

3. Better Client Satisfaction: Addressing the issue promptly and effectively restored client confidence in the process.

Conclusion:

The issue of missing bills during batch payment processing was caused by overlooking a multi-supplier bill attachment. By enhancing the review process, leveraging technology, and improving staff training, we resolved the issue effectively. This case highlights the importance of thorough verification and attention to detail in bookkeeping processes to prevent similar errors.

Tips for Future Prevention:

1.Always review all pages of bill attachments.
2.Use tools to detect and separate multi-supplier invoices automatically.
3.Maintain a checklist for processing bills to ensure no steps are missed.
4.Seek clarification from the client when in doubt about bill attachments.
5.Regularly incorporate client feedback to improve processes.

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