

# Surf Accounts for C&C Schools

## Quick Reference Guide

### Operating the Online Payment Solution Clearing Account (1870)

#### What is the Online Payment Solution Clearing Account?

Where a school is operating an online payment solution system e.g., Easypayment Plus, MIT Education Solutions or Three Ireland (Way2pay), the Online Payment Solution Clearing Account allows you to efficiently record income received.

Instead of having to analyse each individual lodgement to the bank account, lodgements for a month can be accumulated and then analysed in bulk.

Outlined below are the steps on how to record bank lodgements to the clearing account and then record the analysis of this income to the various income accounts.



#### Step 1

#### Set up a nominal account code 1870 as the Online Payment Solution Clearing Account (if it is not already set up)

Click on 'General Ledger' on the menu bar and 'Chart of Accounts'

- Click on the 'New' button
- The 'New Account' screen appears
  - In the box 'Account group' click on the look up glass and select 'Bank and Cash Accounts'
  - In the 'Account Code' box type in 1870
  - In the 'Description' box type in 'Online payment solution clearing account'
  - Tick the box 'Is this a bank Account'
  - Click Save

**New Account**

<b>ACCOUNT GROUP</b> Bank and Cash Accounts	<b>ACCOUNT CODE</b> 1870	
<b>ACCOUNT TYPE</b> Balance Sheet	<b>CODE RANGE</b> From 1800 To 2099	
<b>DESCRIPTION</b> Online payment solution clearing ac	<input checked="" type="checkbox"/> Is this a Bank Account	
<b>BANK FEED TYPE</b> Select option	<b>CURRENCY</b> Select option	
<b>BIC</b>	<b>IBAN</b>	<b>BANK REFERENCE</b>
<b>DEFAULT DEP</b> AOD		
▼ Advanced		
		Cancel Save



## Step 2

### Accounting for the lodgements to the bank account

To record the individual lodgements from the online solution payment company into the school bank account, on the menu bar, click on 'Banking' and on 'Receipts'

- Click on 'Quick Receipt'
- Select the bank account to which the receipts are lodged
- Enter the details of the lodgement
- Post the lodgement to nominal code <1870>

**Quick Receipt**

BANK ACCOUNT: 1800 Current Account

LODGEMENT NO.:

LODGEMENT DATE: 28/10/2021

Date	Payment Type	DEP	Ref. No.	Customer	Notes/Paid by	Amount	VAT Code	VAT Nom. Code
01/09/2021	EFT	AOD	Online Payment		Lodgements from Online payments	250	Z 0.00%	0.00 1870
02/09/2021	EFT	AOD	Online Payment		Lodgements from Online payments	300	Z 0.00% (Zero)	0.00 1870

**Note:** Where refunds have been processed through the online payments system and money has been paid out of the current account to the merchant services a bank payment to account <1870> should be recorded

You can use an excel template for quicker recording of your lodgements for the month, [See here for further details.](#)



## Step 3

### Recording the income received from the Online Payments Solution at the end of the month

At the end of the month, run a report from the online payment solution company showing the breakdown of the income received across the various income types.

To record the breakdown of the income received, on the menu bar go to 'Banking' and click on 'Receipts'

- Click 'Quick Receipt'
- Select the online payment solution clearing account **1870 from the list of bank accounts**
- Record a split payment, entering the breakdown of the income received per the report to the relevant income nominal codes

**Quick Receipt**

BANK ACCOUNT: 1870 Online payment Solution Clearing Acc

LODGEMENT NO.:

LODGEMENT DATE: 28/10/2021

Date	Payment Type	DEP	Ref. No.	Customer	Notes/Paid by	Amount	VAT Code	VAT Nom. Code
30/09/2021	Other	Sp						

**Splits**

Amount	VAT Code	VAT Amount	Code	Notes	DEP
8,000.00	Z 0.00%	0.00	3310	Transition Year Students	TY
7,000.00	Z 0.00%	0.00	3330	Book Rental Receipts	BGR
2,500.00	Z 0.00%	0.00	3390	School Administration charges	AOD

Total of Receipt: 17,500.00  
Total of Splits: 17,500.00  
Unallocated Amount: 0.00

Buttons: Add, Delete, Adjust Total, Cancel, Save

#### Note:

- In some set ups the full amount a parent pays is lodged to the bank DEP account by the merchant services, and in others a payment solution or merchant services fee is held back. Where the fee is withheld the gross amount paid by parents should be recorded as income and the fee recorded as payment from the online payment solution clearing account 1870 to bank charges expense.
- Where there is a net refund in an income category the refund should be recorded as a payment out of <1870> to the relevant income nominal code.



## Step 4

# Reconciling the Online Payment Solution Clearing Account

Once all the transactions are entered you should be able to reconcile the closing balance on the online payment solution clearing account <1870> to your expected closing balance.

- Ascertain what your expected closing balance is. Were all monies received in the month lodged to the bank account during the month or were any amounts lodged after the month end e.g., the amount of income received on the 30<sup>th</sup> of September lodged to the current account on the 1<sup>st</sup> of October would be your closing balance at the 30<sup>th</sup> of September
- The balance on nominal code 1870 at the month end should agree to this
- You may record this on Surf accounts by performing a bank reconciliation
- On the menu bar go to 'Banking' and click on 'Bank Reconciliation'
- Enter the date for the end of the month, select account <1870>, enter your closing expected balance and select 'Save'
- Tick off all transactions (as agreed to online payment solution report and merchant services statements) and you should be left with a 0 difference.

### Practical Example:

#### Step 2:

A total of €17,000 was lodged to the current account from Online payments, in 22 different lodgements over the month of September.

These were recorded as receipts in the current account <1800> and coded to nominal code <1870>

#### Step 3:

An income report from the Online Payments system showed total income of €18,000 for September, less fees held by merchant services of €500. The total income for €18,000 was recorded as a split receipt to account <1870> at the month end against the relevant income codes e.g., <3310 Transition Year Income> etc. The fees withheld of €500 were recorded as a bank payment from <1870> to the bank charges expense. This left a balance of €500 on the online payments system of €500 (Income of €18,000 less fees of €500 less amounts lodged to the bank of €500)

#### Step 4:

The Online Payments system showed that €500 lodged the 1<sup>st</sup> day of the following month, October was received in September. Therefore, our expected closing balance at the 30<sup>th</sup> of September was €500.

When a bank reconciliation was performed and all transactions were ticked off, the balance per Surf agreed to the expected balance and the difference was zero.

1870 Online payment Solution Clearing Account		30-Sep-2021	<input checked="" type="checkbox"/> Bank Reconciliation Complete
Balance as per Surf Accounts on 30/09/2021		500.00	
Balance per Bank Statement		500.00	Expected balance
Less un-presented Payments		0.00	
Plus un-presented Lodgment		0.00	
<b>Reconciled Balance</b>		500.00	✓
<b>Difference</b>		0.00	

  

Date	Ref.No	Lodg. No.	Type	Description	Payments	Receipts	Balance
31 Aug 2021				Balance Forward			

[Click here for training videos on the Online Payments Solutions Clearing Account](#)