# 2023

BCPTA USER GUIDE

How We Work:

Overview
At BCPTA (Business Ledger Automation), we aim to revolutionise your business operations through advanced automation. Our core expertise lies in streamlining the process of trust account management under the BIFSOP Act, liberating you from the complexities of manual entries and time-consuming data processing and management.

Our Mission: Simplify, Accelerate, Excel
Our mission is simple yet impactful: to simplify the way you manage trust account ledgers, accelerate your financial processes, and empower your business to excel in today's volatile construction landscape. We recognise the critical importance of accurate trust accounting, and our software is meticulously designed to ensure precision while saving you valuable time and resources.

Experience the Future of Trust Account Management with BCPTA
At BCPTA, we're dedicated to pushing the boundaries of what technology can do for your business. Our software redefines trust account ledger creation, transforming it into a seamless, efficient, and error-free process. Embrace the future of financial management with BCPTA and unlock the true potential of your business. Contact us today to embark on a journey towards unparalleled trust account automation.
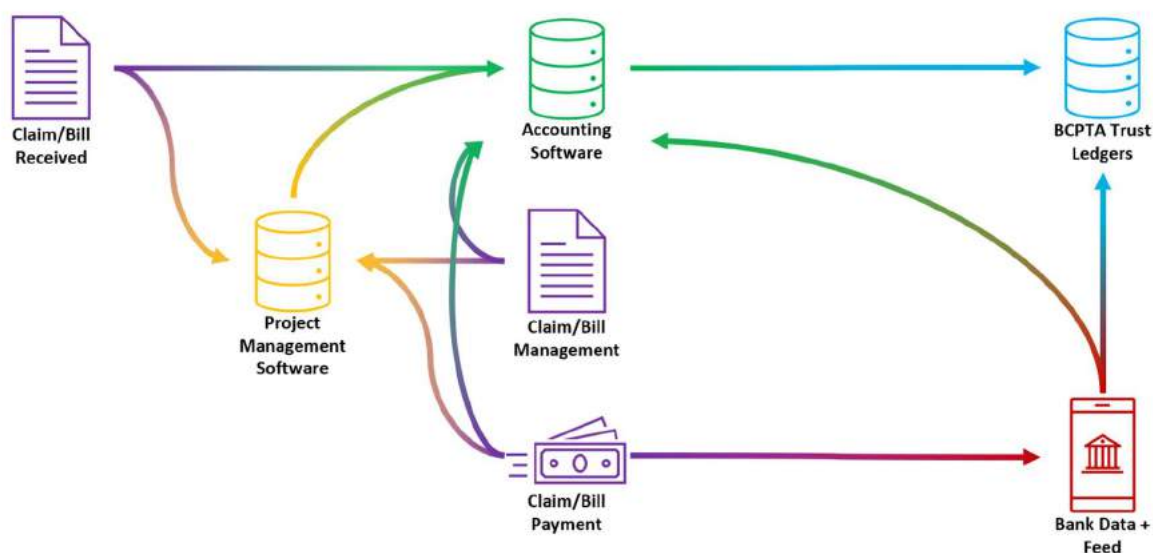
The Process:

The processes that will need to be adopted and an explanation of how they form best practice:

1. **Invoice Number/Reference:** This is one of the key identifiers used to allocate bills and invoices to each project trust ledger. We prompt you for this identifying syntax of 2 letters and 4 numbers when you link a bank account as a trust account.

Job / Reference Identifier

Enter the Project identification number (e.g PW-0000) *

This was developed from the best practice for managing multiple batch payment files. Simply search/filter your bills to pay by the unique reference of each PTA "PW-####", select all and create multiple batch payments with ease.

2. **Bill Date:** This should be recorded as the receival date of the payment claim. We calculate the beneficial interest date 15 business days from this period. Subsequently, best practice will be for payment schedules to be sent on the 15th business day after payment claim was received.

This process is it will allow the time maximisation when you are able to withdraw moneys to cover operating expenses and when you must maintain or contribute funds to the account to service beneficial interest owed to subcontractors. **Once you declare beneficial interest you cannot withdraw money below the total sum of beneficial interest.**

3. **Retention withheld:** This amount should be recorded as a negative value on each respective bill, from this we can identify based on the retention account code used and create the allocation from beneficial interest in the PTA to be beneficial interest in the RTA.

This is developed from the best practice of maintaining future retentions payable on your balance sheet as a current-liability.

4. **Bank Record Reconciliation:** We operate from your existing bank account reconciliations in your accounting package. We also automate the reconciliation and generation of Audit Numbers for inter-bank transfers like retention amounts without the need for user declaration. No duplication of process required!

5. **Invoice Number/Reference (Retentions):** When creating bills to pay retention amounts, we suggest adopting a further invoice reference notation of "RET", to easily sort for retention payments to be made from your retention account in Xero's "Bills to Pay".

Simply search/filter your bills to pay by reference "RET" before compiling "PW-####" batch payment files to prevent any risk of paying retention amounts from a project account instead of the retention account.

Before Getting Started:

Before progressing with BCPTA setup, we recommend you have the following setup in your Xero file:

If starting with an existing project:

1. We recommend going through and using the required notations in the reference fields of each relevant bill/invoice, i.e., "PW-####" for bills related to works and "RET-####" for bills related to retention payments.

2. Unique COA code for your protected works trust account (liability). This will assist in reconciling moneys contributed at a high level.

3. Once steps 1 and 2 are completed, you can use the find and recode function in Xero to move all retention amounts to the new COA code using the criteria "Invoice Number/Reference" and "Account Code".

   If you are not using Xero, then a manual change of these items should occur. Alternatively, you can use your existing account code though this will reduce capacity for high level monitoring.

If you are starting a new project and trust account:

1. Simply adopt processes described above.

Getting Started:

1. Create an account with us and select relevant plan based on how many Project Trust Accounts you will require. This can be updated at any time within the software.

2. Head to the "Company" tab and fill in required information. We use the "Business Name" field to populate some aspects of the trust ledgers so please ensure these are complete.

   Dashboard   Trust Account   Connections   **Company**   Users

3. Head to the "Connections" tab and link your Bank. You will require your internet banking login.

   Dashboard   Trust Account   **Connections**   Company   Users

4. From the same tab, link your Xero file and connect the relevant business Xero file to the application.

   ADD USER   &   CONNECT TO XERO

5. Head back to the "Dashboard" tab. From here you can add your "Retention Trust Account" (RTA) and your "Project Trust Account(s)" (PTA).

   Account Consolidation   SUBSCRIPTION: 2/5 PROJECT ACCOUNTS LEFT   SIGN OUT

   Dashboard   Trust Account   Connections   Company   Users
   VIEW   VIEW   VIEW   VIEW

   ⊕
   Add Project Account

6. Setting your RTA will require you to select the relevant bank account from the list of accounts provided from your connection (last 4 digits are shown only), you will also be required to input the account code identifier per your Xero Chart of Accounts. Your RTA is now setup.

   Retention Account
   [▼]

   Account Code Identifier
   [Enter the Project identification number (e.g PW-0000) *]

7. To set up your PTA you will again need to select the relevant bank account from the list provided (last 4 digits are shown only), you will then need to give the account a "unique identifier". This is important to be unique per PTA and need to carry a unique identifier within that dictates the bill as "Protected Works" (PW). We suggest using "PW-####" where "#" is a unique string of numbers for each project. Your PTA is now setup.

Project Account

Job / Reference Identifier

Enter the Project identification number (e.g PW-0000) *

8. All that is required now is to identify what project your bill is associated to in the reference field when creating the bill and use the retention trust account (GL) code for amounts retained (these should be negative values as they would reduce your bill amount to be paid).

You may have a Project Management software in place, these items can often be adjusted in the mapping of the software's output to Xero. Using Procore as an example, when creating commitments for the Project, include the identifying syntax "PW-####" in the commitment number and this will flow into Xero for each subsequent payment claim against the commitment.