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1. Purpose of the document

This document explains the implementation and usage guidelines of the complete Netting feature. In particular:

- Setup
- Netting Processes
- Creating and Importing Netting **'Agreements'**
- Creating and modifying a **'Settlement'**
- Generating a Netting **'Settlement'**
- Creating netting reports such as **'Letters'** or **'Netting Emails'** to send to third parties.
- Actions a user can perform on **'Settlements'**

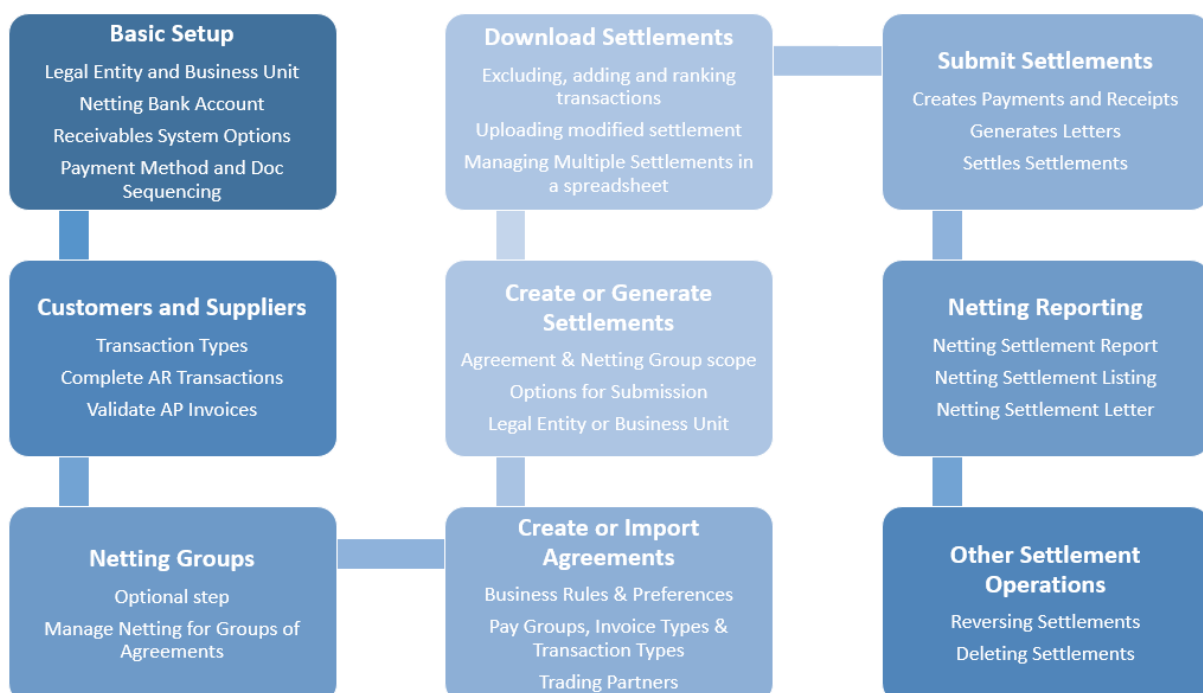
The Netting feature enables the automatic netting of Oracle Payables and Oracle Receivables transactions within a Legal Entity. Your **'Payables Manager'**, **'Receivables Manager'** or **'Netting Manager'** can define a netting agreement that incorporates the netting business rules and transaction criteria needed to support your netting practices. The netting process automatically creates the Payables payments and Receivables receipts required to clear a selected number of Payables and Receivables transactions.

A typical scenario : Transactions are performed between Payables and Receivables for a single third party. Netting offsets outstanding balances by comparing the open amounts in Payables and Receivables.

Example: As part of an **'Agreement'** between a third party ('MyThirdParty') and 'MyBusiness Plc', you have agreed that transactions can be netted. A cash exchange for each of those transactions will not occur, but will be netted decreasing the exchanging of cash between 'MyBusiness Plc' and 'MyThirdParty'.

- Payables (AP) invoices entered into MyBusiness Plc total £100,200.00.
- Receivables (AR) transactions entered into MyBusiness Plc total £100,000.00.
- The result is marking the receivables transactions as paid in full. The remaining Payables amount of £200.00 will either be disbursed to MyThirdParty or will be a future candidate for future netting.

The areas that will be covered in this document are as follows:



Access Netting functions through the Payables and Receivables products. Access to the Netting user interfaces is provided through the '**Payments Work area**' and the '**Accounts Receivable Work area**'. See the 'Netting Agreement Setup' section.

2. Assumptions and Prerequisites

In this document, the following entities are assumed to have already been setup :

- Data Security – Refer to the Fusion Security topical essay available on cloud.oracle.com
- Geographies
- Enterprise Structure
- Suppliers
- Customers
- Procurement Business Function
- Common Options for Payables and Receivables

We recommend that the '**Implementation Project**' is complete for your organization before commencing the 'Feature Specific Setup'. If you require further details, refer to the [Analyze and Report](#) section of [Oracle Financials Cloud \(Get Started\)](#) web site.

Note : the Netting Manager executes the Netting process for the legal entity level. Separate netting settlements are created for each legal entity and business.

3. Feature Specific Setup

Setup Type: Mandatory

Task name: Manage Users

Navigation: Navigator → Setup and Maintenance → Manage Users

Security – Assigning the Netting Role

Netting can only be successfully completed if the 'Netting Manager' running the process has access to the Business units that own the transactions, and the necessary roles required to create payments and in particular receipts.

Assign the Netting Duty Role 'Customer and Supplier Balance Netting' to only those users who will create Netting Agreements and Netting Settlements. Those same users must also be assigned access to the Payables and Receivables roles, and have data access to all business units that you intend to use in the Netting process.

Netting Payment Method Setup

Setup Type: Mandatory

Task name: Manage Payment Methods

Navigation: Navigator → Setup and Maintenance → Manage Payment Methods

A netting payment method can be setup to identify the payables invoices that are netted.

- Ensure the 'Code' = 'NETTING'

Edit Payment Method

[Save](#) [Save and Close](#) [Cancel](#)

* Name	AP/AR Netting	Anticipated Float Value	
Code	NETTING	* From Date	3/13/53
Description		To Date	
Alias			

Usage Rules

[Validations](#) [Bills Payable](#) [Additional Information](#)

☒ Automatically assign payment method to all payees

Payables

[Receivables for Customer Refunds](#) [Cash Management](#)

☒ Enable for use in Payables

Business Units ☒ All ☐ Specific

First Party Legal Entities ☒ All ☐ Specific

Payment Process Transaction Types ☒ All ☐ Specific

Netting Document Sequencing Setup

Setup Type: Optional

Task name: Manage Document Sequence Categories & Manage Document Sequences

Navigation: Navigator → Setup and Maintenance → Manage Document Sequence Categories

Manage Document Sequence Categories

If in the 'Specify Ledger Options' task you have opted to enable sequencing, then you will need to setup a document sequence category and document sequence as follows:

Ensure the 'Category Code' = 'NETTING'

Manage Document Sequence Categories

► Search

Search Results

Actions ▼ View ▼ Format ▼ + × Freeze Detach Wrap

Application	Category Code	Category Name	Module	Table
Payables	NETTING	Netting Payments	Payables	AP_CHECKS_ALL

Navigation: Navigator → Setup and Maintenance → Manage Document Sequences

Manage Document Sequences

Then assign a document sequence to the category:

Manage Document Sequences

Save Save and Close Cancel

► Search

Search Results

Actions ▼ View ▼ Format ▼ + × Detach Wrap

	Document Sequence Name	Application	Module	Type	Determinant Type	Start Date	End Date
►	Netting Doc Seq	Payables	Payables	Gapless	Legal entity	1/1/01	

Netting Doc Seq: Assignment

Actions ▼ View ▼ Format ▼ + × Freeze Detach Wrap

Document Sequence Category Name	Method	Start Date	End Date	Legal Entity Value
Netting Payments	Automatic	1/1/01		MyBusiness Plc

Netting Bank Account Setup

Setup Type: Mandatory

Task name: Manage Bank Accounts

Navigation: Navigator → Setup and Maintenance → Manage Bank Accounts

A netting bank account is a technical account and must be assigned to netting agreements. To enable it, select the **'Netting account'** field on the Bank Account setup for your legal entity.

- Check the **'Netting account'** in the **'General'** tab on the **'Create Bank Account'** user interface.
- For Netting settlements that are for multiple currencies (i.e. if you create a settlement that 'Nets within each currency'), check the **'Multicurrency Account'** checkbox in the **'General Tab'**.

Create Bank Account

Save Save and Close Cancel
Last Saved 2/22/17 1:57 AM

Bank Branch Calle Cantalejo

* Account Name Netting Bank Account

* Account Number 8937652838

Currency EUR - Euro

* Legal Entity Name FIN_EMEA_QA_ONLY Enterprise UK ▼

Account Type ▼

Description Used for customer and supplier netting

IBAN ES9121000418450200051332

Check Digit

Secondary Account Reference

Account Suffix

Account Use ☒ Payables
☒ Payroll
☒ Receivables

General Controls Security Business Unit Access

GL Accounts

Cash 07-000-1111-0000-000

Cash Clearing 07-000-1116-0000-000

Reconciliation Differences 07-000-5340-0000-000

Additional Information

Alternate Account Name

Account Holder

Alternate Account Holder

EFT Number

Agency Location Code

☒ Active

☒ Multicurrency account

☒ Netting account

Bank Acct Global Segment1

Bank Acct Global Segment2

Context Value ▼

Regional Information ▼

- Assign the **'Business Units'** to the **'Bank Account'** in the **'Business Units Access'** tab. *The Bank Account must also have access to the Business Units that you want to include as part of your netting process.*

Create Bank Account

Bank Branch Calle Cantalejo

* Account Name Netting Bank Account

* Account Number 8937652838

Currency EUR - Euro

* Legal Entity Name FIN_EMEA_QA_ONLY Enterprise UK ▼

Account Type ▼

Description Used for customer and supplier netting

General Controls Security **Business Unit Access**

Actions ▼ View ▼ Format ▼ + ✎ 📄 Freeze ↶ Wrap

Business Unit	End Date
FIN_EMEA_QA_ONLY Enterprise UK Business Unit	

Edit the 'Business Unit' and assign the 'NETTING' Payment Method :

Edit Bank Account Netting Bank Account

Bank Caja de Andalucía Bank Branch Calle Cantalejo

Edit Business Unit Access FIN_EMEA_QA_ONLY Enterprise UK Business Unit ✕

Business Unit FIN_EMEA_QA_ONLY Enterprise UK Business Unit End Date

GL Accounts

Cash 07-000-1111-0000-000 EQ Foreign Exchange Gain EQ

Cash Clearing 07-000-1111-0000-000 EQ Foreign Exchange Loss EQ

Bank Charges EQ

Payment Document Categories by Payment Method

Actions ▼ View ▼ Format ▼ + ✕ 📄 Freeze ↶ Wrap

* Payment Method	* Payment Document Category
AP/AR Netting ▼	Netting Payments ▼

OK Cancel

Netting Receipt Class Setup

Setup Type: Mandatory

Task name: Manage Receipt Classes and Methods

Navigation: Navigator → Setup and Maintenance → Manage Receipt Classes and Methods

Oracle have seeded a receipt method for netting: 'ORA_AP/AR Netting'. This is required in order to process receipts that are created in a settlement.

- Navigate to '**Manage Receipt Classes and Methods**' in '**Setup and Maintenance**'
- Search for the '**Receipt Method**'= 'ORA_AP/AR Netting'
- Assign your '**Business Unit**' and '**Account**' that is setup in the '**Netting Bank Account Setup**' section in the 'Feature Specific Setup'

Edit Receipt Class and Methods

Name	ORA_AP/AR Netting
Creation Method	AP/AR Netting
Remittance Method	No Remittance

Receipt Methods

View ▼ + ✕

	* Name	<u>Printed Name</u>	* Effective Start Date
▶	ORA_AP/AR Netting	ORA_AP/AR Netting	1/1/52

ORA_AP/AR Netting: Details

Remittance Bank Accounts	
View ▼ + ✎ ✕	
Business Unit	Account
FIN_EMEA_QA_ONLY Enterprise UK Business Unit	Netting Bank Account

Receivables System Options Setup

There are two setup tasks in Receivables that affect the Netting process. To process the cash receipts within receivables, you must allow the payment of unrelated transactions if you want to net for multiple customers in a settlement. Additionally, you can fine tune the types of transactions to be eligible for netting. Further details on the transaction types filtering is explained in the 'Netting Agreement Setup' section.

Allow payment of unrelated transactions

Setup Type: Mandatory if netting for multiple business units

Task name: Manage Receivables System Options

Navigation: Navigator → Setup and Maintenance -> Manage Receivables System Options

Business Unit FIN_EMEA_QA_ONLY Enterprise
UK Business Unit

Ledger FIN_EMEA_QA_ONLY IT

Ledger Currency EUR

Billing and Revenue **Cash Processing**

AutoCash Rule Set Oldest transaction first ▼

Match Receipts By 1 Transaction Number ▼

Match Receipts By 2 ▼

Match Receipts By 3 ▼

Match Receipts By 4 ▼

AutoMatch Rule Set ▼

Use AutoApply

Days to AutoApply a Receipt

From Write-Off Limit per Receipt

To Write-Off Limit per Receipt

Minimum Refund Amount

Back Due Date

Open invoice due date ▼

☒ Allow receipt applications to debit items of unrelated customers

☒ Allow payment of unrelated transactions

☒ Allow payment deletion

- In the 'Cash Processing' tab, check the 'Allow payment of unrelated transactions' checkbox for your 'Business Units' that you want to include in the netting process.
- This will effectively link together the customers defined in a netting agreement, in order to create a single receipt that spans more than one customer.
- The 'Agreement' definition ultimately controls which trading partners will net invoices and transactions.

Example:

You have a trading partner who is both your supplier and your customer. The customer has 2 representations that are defined in a single Netting Agreement ('MyThirdParty_C1' and 'MyThirdParty_C2') and you want to combine the netting invoices in Payables with the transactions from **both customers in Receivables**. If you indicate on the receivables setup that a single payment can combine transactions from both parties, then all of the transactions for those two customers will be added together and the result will be jointly netted against Payables invoices.

Manage Transaction Type Setup

Setup Type: Mandatory

Task name: Manage Receivables Transaction Types

Navigation: Navigator → Setup and Maintenance → Manage Transaction Types

Setup 'Transaction Types' to control which types of transactions in receivables to include or exclude for netting.

In some cases, certain types of transactions may need to be excluded from the agreement between the deploying entity and the trading partner (e.g. Credit Memos). Similarly, the Netting Agreement may only cover the transactions related to a specific division or business purpose.

Manage Transaction Types

► Search

View ▼ + ✎ 📅 Detach

Name	Description	Transaction Class	Transaction Status	Creation Sign	From Date
Invoice-OKS	INVOICE-OKS	Invoice	Open	Positive Sign	7/25/00
Credit-OKS	Credit-OKS	Credit Memo	Open	Any Sign	12/2/00
Chargeback	Chargeback	Chargeback	Open	Any Sign	1/1/52
Credit Memo-OKL	Set up for OKL C...	Credit Memo	Open	Negative Sign	1/1/90
Invoice-OKL	AR Setup for OKL	Invoice	Open	Positive Sign	1/1/90
Debit Memo	Debit Memo	Debit Memo	Open	Positive Sign	1/1/52
Credit Memo_42	Regular Credit ...	Credit Memo	Open	Negative Sign	1/1/52
Debit Memo Re...	Debit Memo Re...	Debit Memo	Open	Any Sign	1/1/90

Receivables transactions are eligible for netting if the transaction types are associated to the agreement. Only transactions for transaction types that are assigned to the netting agreement are eligible to be netted. See 'Creating Netting Agreements' section in 'Netting Agreement' setup for how to filter the transaction types.

This allows you to include or exclude certain transaction types from the netting selection process.

Netting Group Setup

Setup Type: Optional

Task name: Manage Standard Lookups

Navigation: Navigator → Setup and Maintenance → Manage Standard Lookups

Netting groups allow the Netting Manager to optionally create settlements for multiple agreements at the same time. Implement **'Netting Groups'** to group together similar business related agreements for settlements.

Manage Standard Lookups Save

Search

Search Results

Actions View Format + X Freeze Detach Wrap

Lookup Type	Meaning	Description	Module
ORA_JE_NET_GROUP	Netting Group Type	Defines netting groups that can be assigned	Customer and Supplier Balance Netting

ORA_JE_NET_GROUP: Lookup Codes

Actions View Format + X Freeze Detach Wrap

Lookup Code	Display Sequence	Enabled	Start Date	End Date	Meaning	Description	Tag
DISTRIBUTOR		✓	1/1/01		Netting Distributor Group	Netting Distributor	
FARMING		✓	1/1/01		Netting Farming Group	Netting for Farming Activities	
PETROL		✓	1/1/01		Netting Petroleum Group	Netting for Petroleum Activities	
RESELLER		✓	1/1/01		Netting Reseller Group	Netting Reseller	
BANKING		✓	1/1/01		Netting Retail Banking Group	Netting for Banking Activities	

For example, if you want to net for different types of trading partners or industries (in this example, retail banking, distributors, farming trading partners or petroleum trading), enter the **'Netting group'** that can be associated to an agreement. This means that if you want to net for only the agreements that are for the petroleum trading partners group, you can signify this when creating a settlement. The netting process will ignore netting for the other agreements that aren't assigned to the petroleum netting group.

Oracle have seeded a lookup type for this purpose : ORA_JE_NET_GROUP.

- Navigate to **'Manage Standard Lookups'** in **'Setup and Maintenance'**
- Search for the **'Lookup Type'='ORA_JE_NET_GROUP'**
- Add a **'Lookup Code'**, **'Start Date'** and **'Meaning'** for the netting group.
- Add as many netting groups as you wish, to differentiate between the netting agreement types.

Only one netting group can be assigned to an agreement. If you do not assign a netting group to your agreements, then when you create a settlement, all agreements will be selected, unless you opt to select a single agreement.

To implement **'Netting groups'** functionality, you must use the **'ORA_JE_NET_GROUP'** lookup type. See **'Appendix – Netting Group setup Example'**.

Pay Group Setup

Setup Type: Optional

Task name: Manage Payables Lookups

Navigation: Navigator → Setup and Maintenance → Manage Payables Lookups

Whilst the 'Netting Groups' control the types of agreements to settle, the '**Pay Group**' functionality can help control the types of payables transactions to include or exclude when building a netting settlement. If for example you know which transactions are eligible for netting when the transactions are entered (manually, spreadsheet import etc.), the payables invoices can be created with a pre-defined Pay Group that can be assigned to your agreement.

Add lookup codes to the '**PAY GROUP**' lookup type for this purpose.

- Navigate to '**Manage Payables Lookups**' in '**Setup and Maintenance**'.
- Search for the '**PAY GROUP**' lookup type.
- Add a lookup code for your 'Netting' pay group.

Manage Payables Lookups

Save Save and Close

► Search

Search Results

Actions ▼ View ▼ Format ▼ + × Freeze Detach Wrap

Lookup Type	Reference Group Name	Meaning	Description	Application	Customization Level
PAY GROUP		Valid Pay Groups		Payables	Extension

Financials Generic Lookup Type : PAY GROUP

Actions ▼ View ▼ + × Detach

* Lookup Code	Reference Data Set	Display Sequence	Enabled	Start Date	End Date	* Meaning	Description	Tag
NETTING	Common Set		<input checked="" type="checkbox"/>	1/1/01		Netting Pay Group	Invoices that can be netted.	
BOE	Common Set		<input checked="" type="checkbox"/>	4/1/10		BOE	Bill of exchange pay group.	

The netting agreement can then control the payables invoices to select based on the pay group setup. This is an **optional** setup task. If you do not use Pay Groups to filter the payables invoices eligible for netting, then the settlement process will select all the invoices that meet the criteria, regardless of which pay group is assigned to an invoice. To default a 'Pay Group' for invoices for a specific customer, enter the 'Pay Group' at the supplier level.

Netting Letter – Email Subject Setup

Setup Type: Optional

Task name: Manage Standard Lookups

Navigation: Navigator → Setup and Maintenance → Manage Standard Lookups

The **'Netting Letter'** and **'Netting Reversal Letter'** can be optionally emailed to the third party. To set the E-Mail subject text :

- Navigate to **'Manage Standard Lookups'** in **'Setup and Maintenance'**.
- Search for the **'ORA_JE_NET_LETTER'** lookup type.
- Enter the E-Mail subject in the **'Meaning'** field of the **'ORA_JE_SUBJECT'** lookup code.

Manage Standard Lookups

► Search

▲ Search Results

Actions ▼ View ▼ Format ▼ + ✕ 🌐 📄 Freeze 📄 Detach ↩ Wrap

Lookup Type	Meaning	Description	Module
ORA_JE_NET_LETTER	Netting Letter E-Mail Subject	Defines the netting settlement letter e-mail s	Customer and Supplier Balance Netting

▲ ORA_JE_NET_LETTER: Lookup Codes

Actions ▼ View ▼ Format ▼ + ✕ 📄 🌐 📄 Detach ↩ Wrap

Lookup Code	Display Sequence	Enabled	Start Date	End Date	Meaning	Description
ORA_JE_SUBJECT	1	<input checked="" type="checkbox"/>	1/1/01		Netting Settlement Letter from MyBusinessP	E-Mail subject for the netting settlement lette

Example of incoming Netting Letter for the third party inbox:

Unread

Starred

Contact

Tags

Attachment

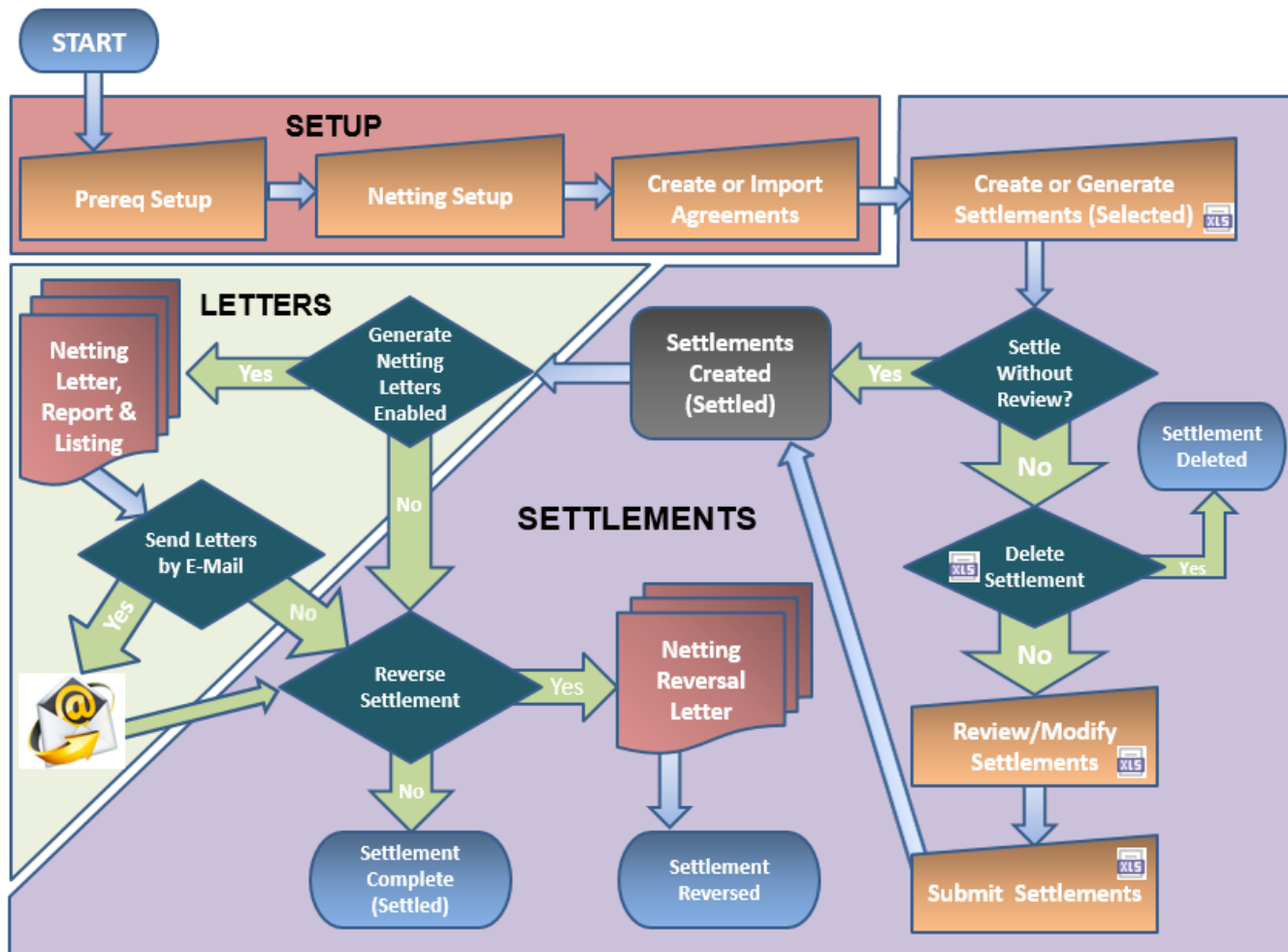
Filter these messages <C

Subject	From	Date
Netting Settlement Letter from MyBusinessPLC - 31024	netting_manager@mybusiness.com	09:14

See the **'Letters'** section in 'Netting Agreement Setup' and the **'Netting Settlement Letter'** section in 'Netting Reporting' for further details. The settlement number will be appended to the 'Netting Email Subject' automatically.

4. Netting High Level Flow

A summarized flow of the netting process is as follows.



Note : It is also possible to 'Delete' a settlement after the settlement has been reviewed or modified. As soon as a settlement has been settled, you cannot delete it.

The sections that follow will explain how to :

- Create and Import Agreements
- Create and Generate Settlements
- Review or modify a Settlement
- Submit a Settlement
- Download Settlements to a Spreadsheet
- Reverse a Settlement
- Review the Netting Letters and Reports

5. Netting Agreement Setup

There are two ways how you can create Netting Agreements :

1. Create manually through the 'Manage Netting Agreements' task
2. Import agreements that have been defined in a spreadsheet

Manual Creation of Netting Agreements

Setup Type: Mandatory

Task name: Manage Netting Agreements

Navigation: Navigator → Payments -> Task List -> Manage Netting Agreements

Navigation: Navigator → Accounts Receivable -> Task List -> Manage Netting Agreements

A netting agreement controls how a group of trading partners net Payables and Receivables transactions. You can create a netting agreement for each group of trading partners that agrees to net transactions. Netting agreements include the business rules that define the types of transactions that may be selected for netting, and which suppliers and customers can be netted.

Access the Netting Agreement user interface from either the Payments work area in Payables, or the Accounts Receivable work area in Receivables. Click on the 'Task List'. The 'Manage Netting Agreements' link is under the 'Customer and Supplier Balance Netting' section.

Overview

Payment Process Requests

Requiring Attention (0) Recently Completed (0) Recently Terminated (0)

View

Name	Pending Since	Stage	Status	Action
------	---------------	-------	--------	--------

Payment Files Requiring Attention

Actions View

Reference	Administrator Reference	Creation Date	Status
41056	SBPPR1	1/6/14	Formatted and ready
41186	CEE-5-8-1	7/31/14	Transmission failed
41185	CEE-5-3	7/31/14	Transmission failed

Payments

- Submit Payment Process Request
- Manage Payment Process Requests
- Manage Payment Process Request Templates
- Create Payment
- Manage Payments
- Create Electronic Payment Files
- Create Printed Payment Files
- Manage Payment Files
- Apply Missing Conversion Rates
- Create Positive Pay File
- Send Separate Remittance Advice
- Create Regulatory Reporting
- Payment File Accompanying Letter

Accounting

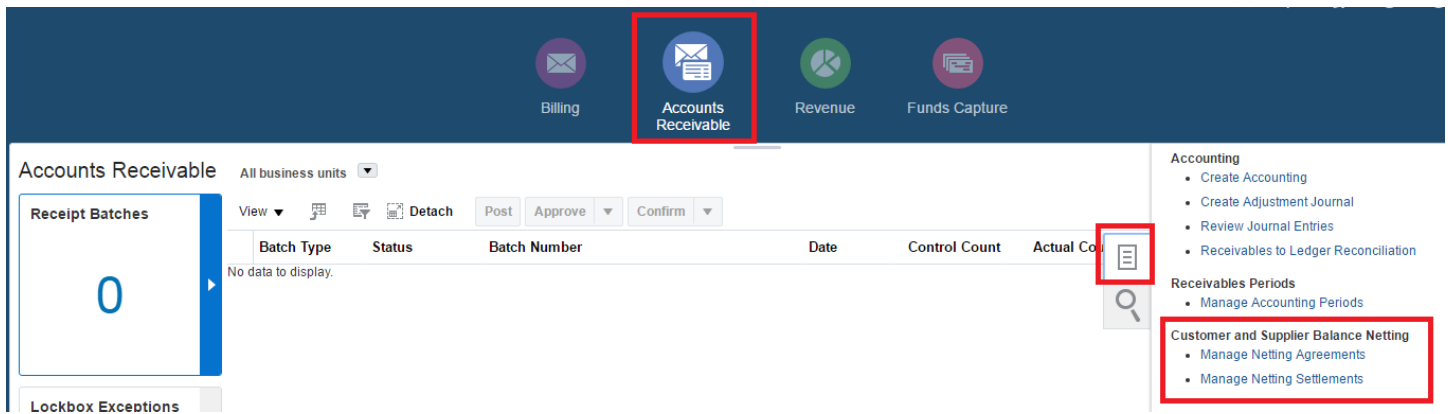
- Create Accounting
- Create Adjustment Journal
- Review Journal Entries
- Payables to Ledger Reconciliation

Payables Periods

- Manage Accounting Periods

Customer and Supplier Balance Netting

- Manage Netting Agreements
- Manage Netting Settlements



Searching Agreements

In the search window, you can find agreements that you have already created. By default, the search will only select active agreements that have not been end dated, but you can change this in the '**Active Netting Agreement**' field.

Search

** Agreement Name
 ** Legal Entity

** Trading Partner Reference
 Active Netting Agreement

Creating Netting Agreements

When creating a new agreement, there are six main components that model the agreement and each component will be described in turn.

1. Business Rules and Preferences
2. Pay Groups
3. Payables Invoice Types
4. Receivables Transaction Types
5. Trading Partners
6. Letters

Create Netting Agreements

[Save](#) [Save and Close](#) [Save and Create Another](#) [Cancel](#)

Netting Agreement Business Rules

* Legal Entity	eBTax_UK Oracle-2	* Start Date	10/18/18
* Agreement Name	LIVEDEMO	End Date	m/d/yy
Trading Partner Reference	TPR7654		

Netting Preferences

* Netting Bank Account Name	Netting UK Bank Account	Allow early settlement discount	<input type="checkbox"/>
* Netting Order Rule	Due date from oldest to most recent	* Netting Currency Rule	Use single currency
* Netting Balance Rule	Net always	* Currency	EUR
Netting Group			

► Additional Information

[Pay Groups](#) [Payables Invoice Type](#) [Receivables Transaction Type](#) [Trading Partners](#) [Letters](#)

* Pay Groups ☒ All ☐ Only Include ☐ Only Exclude

Business Rules and Preferences

The netting agreement business rules and preferences indicate the high level details and preferences that apply to your agreement between yourself and a trading partner.

Business Rules Region

- Select the '**Legal Entity**' for the agreement. Netting is performed for the Legal Entity. If you have multiple business units assigned to a legal entity, they will all be assessed for netting. Note : the Netting manager can only net invoices that he/she has access to by virtue of their business unit security.
- Enter an '**Agreement Name**'.
- Optionally enter a '**Trading Partner Reference**' from your third party with whom the agreement is with.
- Enter a '**Start Date**' for the agreement. This should reflect the contractual start date with the third party.
- Optionally enter an '**End Date**' for the agreement. Settlements can only be created for agreements provided the date of the settlement is within the 'Start Date' and 'End Date' range. Therefore, if the agreement has come to an end between yourself and the third party, you must end date the agreement. This will prevent further netting settlements from taking place for the agreement and it can no longer be used for processing netting.

Netting Preferences Region

The netting preferences dictate how you want to manage the transactions in an agreement.

- Select the '**Netting Bank Account Name**'. Only active bank accounts that have the 'Netting account' checked will be available for selection. See the '**Netting Bank Account Setup**' section in 'Feature Specific Setup'.
- Select the '**Netting Order Rule**'. The rule indicates the priority in which transactions will be selected for netting. You will still have the opportunity to fine tune the ordering of netting transactions once a settlement has been selected in the ADFDi spreadsheet download.
 - Defaults to 'Due date from oldest to most recent'. Select this if you want to clear transactions that are past or near the due date first.
 - Ascending Amount. Select this if you want to clear a large number of small transactions first.

- Descending Amount. Select this if you want to clear the larger amount transactions first.
- Transaction date from oldest to most recent.
- Select the **'Netting Balance Rule'**. The rule determines the conditions when to net. If you want to restrict the netting to only take place when the balance of payables invoices is greater than the balance of receivables transactions, then choose :
 - 'Net when Payables is greater than Receivables'. Otherwise, select
 - 'Net Always'
- Optionally assign a **'Netting Group'** to your agreement. See the **'Netting Group Setup'** section in 'Feature Specific Setup' and 'Appendix – Netting Group setup Example'.
- Check the **'Allow early settlement discount'** checkbox if you want to ensure that eligible discounts are applied to the amounts. See **'Appendix – Discounts working Example'** for further details.
- Select the **'Netting Currency Rule'**. If you want to settle for invoices and transactions for a particular currency (e.g. GBP), then you can set the netting currency rule to 'Use Single Currency'. You can then select the 'Currency'. If you have invoices in transactions for multiple currencies, you can select 'Net within each currency'. For example if you have GBP and EUR invoices/transactions that you want to net, a settlement will be created for each currency (one for GBP and another for EUR). Both settlements can then be treated independently of one another. Ensure the Netting Bank Account has the Multicurrency checkbox checked. Netting will only net invoices of the same currency together i.e. GBP with GBP or EUR with EUR. It will not net GBP with EUR.

Pay Groups

If you want to allow all payables invoices to be available for a settlement, regardless of which pay group is assigned to the invoice, then choose **'All'**. This is the default option.

Only Include Option:

If however, you have a scenario where you want to restrict the invoices for selection to only those that belong to one or more pay groups, then select 'Only Include' and add one or more 'Pay Groups' that you wish to assign to the agreement. The settlement process will then only select invoices that belong to the pay group(s) that are included on the agreement.

Only Exclude Option:

If however, you have a scenario where you want to exclude invoices for selection to only those that belong to one or more pay groups, then select 'Only Exclude' and add one or more 'Pay Groups' that you wish to exclude from the agreement. The settlement process will then only select invoices that do not belong to the pay group(s) that are excluded on the agreement.

See the **'Pay Group Setup'** section in 'Feature Specific Setup' on how to setup the pay groups prior to invoice processing.

Pay Groups Payables Invoice Type Receivables Transaction Type

* Pay Groups ☐ All ☒ Only Include ☐ Only Exclude

+ ×

Pay Group

Netting Invoices ▼

Payables Invoice Types

Restrict the types of payables invoices that are eligible for netting by indicating which types of payables invoices to be considered. The three types of payables that you can assign to the agreement are :

- Standard (added by default)
- Credit Memo
- Debit Memo

Pay Groups Payables Invoice Type Receivables Transaction Type Trading Partners Letters

+ ×

* Invoice Type

Standard ▼

Credit memo ▼

Therefore, if you only want to net the standard invoices and credit memos, you can do so by just selecting those 2 options from the list of values. The settlement process will then not pull the 'Debit Memos' in payables. Payables Invoice types are seeded by Oracle and cannot be changed or added to.

Receivables Transaction Types

Similar to the '**Pay Group**' filtering, you can restrict the types of receivables transactions that are eligible for netting by indicating which '**Receivables Transaction Types**' to include or exclude for netting.

If you want to allow all receivables transactions to be available for a settlement, regardless of which transaction type is assigned to the transaction, then choose '**All**'. This is the default option.

* Transaction
☐ All
☒ Only Include
☐ Only Exclude

Types

+
×

* Transaction Type
Invoice - Invoice_4
Credit Memo - Credit Memo

Only Include Option:

In the example above, the agreement is setup such that only 2 of the transaction types are included for netting to take place. If there are other receivables transactions that are not assigned to either of the 2 transaction types, they will not be selected. Receivables transaction types may be extended – see the **‘Manage Transaction Type Setup’** section in ‘Feature Specific Setup’.

Only Exclude Option:

If however, you have a scenario where you want to exclude transactions for selection to only those that belong to one or more transaction types, then select ‘Only Exclude’ and add one or more ‘Transaction Types’ that you wish to exclude from the agreement. The settlement process will then only select transactions that do not belong to the transaction types that are excluded on the agreement.

Trading Partners

The **‘Trading Partners’** tab allows you define the suppliers and customers that you want to net transactions. In the example below the agreement is between ‘MyBusiness Plc’ and ‘MyThirdParty’. ‘MyThirdParty’ is defined as :

- A supplier with 2 sites
- A customer with 1 site

The association on the agreement will result in payables invoices from the 2 supplier sites being selected and the receivables transactions from the single customer site.

Multiple supplier and customer names can be joined together to represent the third party relationship for netting.

Select Supplier

+ X

* Priority	* Supplier Name	Supplier Number	Supplier Tax Registration Number	Supplier Site	Site Tax Registration Number
1	MyThirdParty	1449703146	EST1234566Z	Valencia Div	EST1234566Z
2	MyThirdParty	1449703146	EST1234566Z	My Second Addre	

Select Customer

+ X

* Priority	* Customer Name	Customer Number	Customer Tax Registration Number	Customer Site	Site Tax Registration Number
1	MyThirdParty	CDRM_95119	EST1234566Z	99765 Pont de Montolivot 46029 VALENCIA	EST1234566Z

Select Supplier Region

- Select one or more **'Supplier Names'** that represents the suppliers you wish to net invoices. The **'Supplier Number'** and **'Supplier Tax Registration Number'** from the supplier profile, display for validation.
- Optionally select one or more **'Supplier Sites'** for the **'Supplier Name'**. If you want to include all supplier sites for netting, then leave the **'Supplier Site'** field blank. If you do select a **'Supplier Site'**, the **'Site Tax Registration Number'** displays for validation purposes
- The netting process will rank the invoices from the suppliers based on the **'Priority'** for the **'Suppliers'**. In the example above, the invoices for 'Valencia Div' will be prioritized ahead of those from 'My Second Addre'. There is further opportunity to change the invoices for selection once a settlement has been selected.

Select Customer Region

- Select one or more **'Customer Names'** that represents the customers you wish to net transactions. The **'Customer Number'** and **'Customer Tax Registration Number'** from the customer profile, display for validation.
- Optionally select one or more **'Customer Sites'** for the **'Customer Name'**. If you want to include all customer sites for netting, then leave the **'Customer Site'** field blank. If you do select a **'Customer Site'**, the **'Site Tax Registration Number'** displays for validation purposes
- The netting process will rank the transactions from the customers based on the **'Priority'** for the **'Customers'**. In the example above, there is just one **'Customer Site'** selected, so the priority does not matter. More complex relationships may require you to order the priority of the customer and customer sites to ensure you net transactions from certain customer representations first.

Letters

The Letters tab allows you to configure how you want the Netting Letter to be distributed to your third party. The letter is a confirmation to the third party that the invoices have been netted, listing all the invoices and transactions that were included in the netting amount.

Pay Groups Payables Invoice Type Receivables Transaction Type Trading Partners **Letters**

Letter Preferences

Generate Netting Letter ☒ Send Letters by E-Mail ☒

Netting Letter Contacts

* Recipient Address 99765 Pont de Montolivet 46029 VAL ▼

Language American English ▼

* To E-Mail nettingadmin@mythirdparty.com

* From E-Mail netting_manager@mybusiness.com

* From Name Bob Childs

Reply-to E-Mail netting_manager@mybusiness.com

Letter Preferences

- When you first create an agreement the default is to enable '**Generate Netting Letter**'. If you do not want letters to be generated to send to your third party, then you can disable this by un-checking the 'Generate Netting Letter' checkbox. You can save the record and the '**Agreement**' setup is complete.
- If you wish to email the netting letters to the third party, enable the '**Send Letters by E-Mail**' checkbox.

Netting Letter Contacts

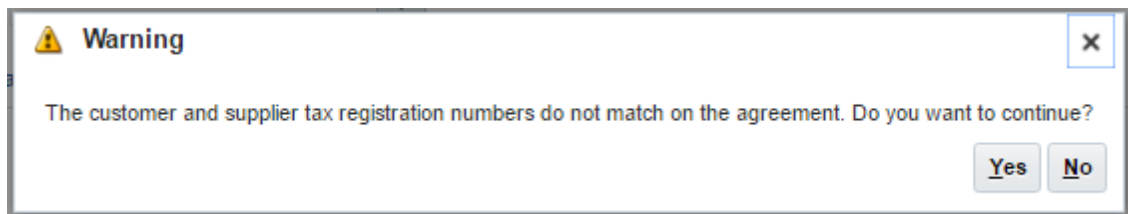
- If you have enabled the '**Generate Netting Letter**', the letter will be sent to the '**Recipient Address**'. This is defaulted from the '**Supplier Address**' of the highest priority supplier site which is 'Primary Pay' and entered on the Trading Partner tab. You can however, override this address to any other address for the supplier/customer combination that you define in the Trading Partner tab. The address you select will be the address that appears on the 'Netting Letter'.
- Select the '**Language**' in which you want the letter to be presented to the customer. The value will default from the Site Language of the supplier site that is selected in the '**Recipient Address**'.
- If you have enabled the '**Send Letters by E-Mail**' option, you must also enter the :
 - '**To E-Mail**'. Enter the email address that the letter will be emailed to. If the letter is for multiple sites, the third party will have to distribute this themselves internally. Therefore, you can only send the letter to a single email address. It is defaulted with the Primary contact of the supplier site that is defaulted/selected in '**Recipient Address**' [email is primary contact's email address]. You can overwrite this to a different email address if required.
 - '**From E-Mail**'. Enter the email address that will appear on the recipients 'From E-Mail'. This should be the person or department email that created the settlement. The value will default from the '**Statement Delivery Using E-Mail : From E-Mail**' from the Receivables System Options if it exists. You can overwrite this to a different email address if required.
 - '**From Name**'. Enter the 'From Name' that will appear on the netting letter. This should be the person or department email that created the settlement. The value will default from the '**Statement Delivery Using E-Mail : From Name**' on the Receivables System Options if it exists. You can overwrite this to a different value if required.

- Optionally enter a '**Reply-to E-Mail**' address that will appear on the recipients 'Reply to E-Mail'. This should be the person or department email address that will deal with any queries from the third party relating to the netting settlement. The value will default from the '**Statement Delivery Using E-Mail : Reply-to E-Mail**' from the Receivables System Options if it exists. You can overwrite this to a different email address if required.

Saving a Netting Agreement

When the sections above have been entered, you are ready to save the agreement. You can either '**Save and Create Another**' agreement, or '**Save and Close**'.

When you save the agreement, validation will run on the third party entities and sites that have been entered. If the system detects that there are different Tax Registration numbers on the third party records a warning will display, asking for verification that you have selected the correct combination.



This is intended to ensure you validate yourself the correct combination of suppliers, supplier sites, customers and customer sites have been selected for netting.

Once an agreement has been saved, you can edit it at a later date. However, the following attributes will not be able to be changed :

- Legal Entity
- Agreement Name

You are now ready to create a Netting Settlement based on the Agreement that you have setup.

Importing Netting Agreements

Netting Agreements can also be imported using the Import Netting Agreements FBDI spreadsheet. It is recommended you review the demonstration that is available in the training material.

Summary guidance for importing netting agreements :

1. Download the Import Netting Agreements FBDI spreadsheet
2. Enter the agreements in the spreadsheet, following the guidance in the notes
3. Create the zip file
4. Use 'File Import' to import the zip file (choose *fin/payables/import* account)
5. Run 'Load Interface File for Import' process (choose 'Import Netting Agreements' for the 'Import Process'). When the process completed, the netting agreements from the spreadsheet will be uploaded into the netting interface tables
6. Run 'Import Netting Agreements' process. You can optionally select a range of Legal Entities, and/or a range for the 'Netting Agreement' name. To import all agreements in the interface tables, you can leave the parameters.

6. Excluding Receivables Transactions

Task name : Manage Netting Settlements

Navigation : Navigator → Receivables -> Billing -> Manage Transactions

In some cases, you may wish to exclude receivables transactions from being netted, even though they match the criteria on the agreement. To accomplish this :

1. Search for your transaction in the 'Manage Transactions' task
2. Click 'Show More'
3. Click 'Miscellaneous' tab

Miscellaneous

Legal Entity eBTax_UK Oracle-2

☐ Intercompany

United Kingdom

Net AR Sal_addA17

Generate Bill Yes ▾

Print Date 10/3/18

Special Instructions
Exclude the transaction from the netting selection process.

Structured Payment Reference

PO Number

PO Revision

PO Date

Context Value ▾

Exclude From Netting ☒

Regional Information ▾

Context Value ▾

If a transaction has the 'Exclude From Netting' checkbox ticked, it will not be selected by the netting selection process.

You can use the AR Web Services to perform mass updates on transactions to set this option (Please refer to the Appendix for further details). The value of the '**Exclude From Netting**' is maintained in the '**GLOBAL_ATTRIBUTE30**' column on the receivables transaction header table (**RA_CUSTOMER_TRX**). Please refer to the AR web service documentation for further details.

Important Points to Note :

1. Transactions that have '**Exclude From Netting**' = 'Yes' cannot be added into a settlement that is in progress.
2. If a transaction is updated to '**Exclude From Netting**' = 'Yes' whilst the transaction is already included in a Netting settlement that is in '**Selected**' state, you will not be able to complete the settlement since there is a check to ensure that a transaction has not been excluded post 'Selection'. The settlement will be automatically cancelled. You should then create a new settlement, where the transaction will not be selected.
3. If a transaction is changed from '**Exclude From Netting**' = 'Yes' to 'No' whilst a settlement is in '**Selected**' state, you can add the transaction to the netting by using the spreadsheet. Refer to the section on '**Modifying a Settlement**' for details on how to achieve this.

7. Managing Netting Settlements

Task name : Manage Netting Settlements

Navigation : Navigator → Payments → Task List → Manage Netting Settlements

Navigation : Navigator → Receipts → Task List → Manage Netting Settlements

Navigation : Navigator → Tools → Schedule Processes → Generate Netting Settlements

This section will cover :

- Searching settlements
- Creating a settlement from Manage Netting Settlements
- Generating and Scheduling Netting Settlements
- Reviewing a settlement
- Modifying a settlement
- Submitting a settlement
- Deleting a settlement
- Reversing a settlement
- Downloading settlements to a spreadsheet

Searching Settlements

Search on existing settlements to action a settlement. Settlement actions can be:

- Delete a settlement
- Submit a settlement to create the netting
- Reverse a settlement that has already been completed
- Download a settlement to a spreadsheet for review and modification

The search functionality allows you to find any settlement that has already been created. Use the filtering criteria of 'Legal Entity', 'Settlement Name', 'Settlement Number', 'Status' or 'Agreement Name'.

If the search results show at least one settlement in **Selected** or **Selected, no transactions** status, the **Download Settlements** button will be enabled. This will enable you to download and process settlements (Delete or Settle) in a spreadsheet.

The results will be ordered by the most recently updated settlement.

Manage Netting Settlements

Done

Search

 Saved Search Default Search

** At least one is required

** Legal Entity MyBusiness Plc

** Settlement Name

** Settlement Number

** Status

** Agreement Name

Actions ▼ View ▼ + 📄 ↺ Download Settlements

Settlement Number	Settlement Name	Status	Agreement Name	Legal Entity	Settlement Currency	Download	Settlement Date	Netting Group
31024	MyBusiness Plc LIVEDEMO 2017-03-08	Selected	LIVEDEMO	MyBusiness Plc	EUR		3/8/17	
28026	LIVEDEMO 2017-01-31	Reversed	LIVEDEMO	MyBusiness Plc	EUR		1/31/17	
30026	BIL 5 23/2	Settled	Agrmnt BIL 5	MyBusiness Plc	EUR		2/23/17	

Creating a Settlement from 'Manage Netting Settlements'

To create a new settlement such as the following:

Create Netting Settlements

* Legal Entity MyBusiness Plc

Agreement Name All Agreements

Netting Group

☒ Specific Agreement

* Netting Agreement LIVEDEMO

* Settlement Date 3/8/17

* Settlement Name MyBusiness Plc LIVEDEMO 2017-03-08

* Settle Without Review No

* Transaction Due Date 3/8/17

* Accounting Date 3/8/17

* Conversion Rate Type Corporate

- Choose the '**Legal Entity**' for the first party. Only legal entities that have active agreements created for them will be available.
- There are 3 methods of creating a settlement. See 'Appendix – Netting Group setup Example'.
 - Create for '**All Agreements**' that belong to the '**Legal Entity**'. Choose the 'All Agreements' radio button if you have multiple agreements for your Legal Entity and you want to perform netting en masse.
 - Create for specific '**Netting Groups**'. Choose '**All Agreements**' and select the '**Netting Group**' if you want to perform netting for a specific group of agreements assigned to your Legal Entity.
 - To create for a single agreement, choose the '**Specific Agreement**' radio button and then select the '**Netting Agreement**' that you want to use for netting.
- Select the '**Settlement Date**'. This relates to the date that netting will occur. This cannot be a prior date and it defaults to today's date.
- The '**Settlement Name**' will default to : [Legal Entity + Agreement Option + Today's Date](#). You can override the default to any other unique value. This is intended to help you track your settlements by a meaningful convention for your business.
- If you wish to settle a settlement without reviewing the content, then select '**Yes**' in the '**Settle Without Review**' field. However, **it is strongly recommended that you leave this set to the default of 'No'**, so that you can internally verify and modify the settlement details prior to creating the settlement.

- Select the **'Transaction Due Date'**. All transactions will be selected in the netting process, provided their due dates are before or equal to the 'Transaction Due Date'. Therefore you can use this to net based on when transactions should be due, avoiding late payment charges.
- Select the **'Accounting Date'**. All the payments and receipts that are created will have this accounting date stamped on them.
- Select the **'Conversion Rate Type'**. This is the exchange rate that will be used when calculating any foreign currency transaction gains and losses. For example, your ledger currency may be in GBP, but the transactions may be in EUR. The default value will be derived from the Receivables Profile option: 'AR_DEFAULT_EXCHANGE_RATE_TYPE'. The 'User' level will take precedence. If that is not set, the 'Site' level will be defaulted. If neither are set, then the value is defaulted to 'Corporate'.

Manage Receivables Profile Options

Save



► Search : Profile Option

Search Results

◀ Search Results : Profile Options

Profile Option Code	Profile Display Name	Application	Module	Start Date	Er
AR_DEFAULT_EXCHANGE_RATE_TYPE	Conversion Rate Type	Receivables	Common Receivables	1/1/80	

◀ AR_DEFAULT_EXCHANGE_RATE_TYPE: Profile Values

Actions ▼ View ▼ + ×   Detach

* Profile Level	User Name	Profile Value
User	NETTING_MGR	RB Rate
Site		HRUK

In the example above, the default for the 'NETTING_MGR' user is 'RB Rate'. This value will be defaulted onto the 'Create Netting Settlements' UI.

You can now submit the process to start creating settlements. You can either **'Save and Create Another'** settlement, or **'Save and Close'**. Once you save the record, you will receive confirmation that the netting process has started. The netting process will then select all eligible invoices and transactions that meet the criteria on the netting settlement and the agreements to which they relate to. The netting process may create multiple settlement numbers depending on the following:

- Number of Agreements you have selected for netting settlement run.
- Number of different currencies in the settlement (a settlement is created for each different currency of transactions)

For example, if you have 5 agreements and 2 of those agreements contain 2 different currencies of invoices/transactions, you will have 7 different settlement numbers created for the settlement name. Each settlement will then be processed independently.

Generating and Scheduling Netting Settlements

If you prefer, you can schedule and generate Netting Settlements with the ‘**Generate Netting Settlements**’ process. This has the benefit of giving you the option to schedule netting at a time that is convenient for your business practices. For example, “Schedule all my agreements for the ‘Farming Netting Group’ on the last day of each month”. Also, it will allow you to submit settlements by ‘Business Unit’ or ‘Legal Entity’

Process Details



This process will be queued up for submission at position 1

Process Options

Advanced

Submit

Cancel

Name Generate Netting Settlements

Description Selects Payables invoices and Receivables trans... ☐ Notify me when this process ends

Schedule As soon as possible Submission Notes

Basic Options

Parameters

Business Unit	Progress UK	▼
Legal Entity		▼
Netting Group	Netting Farming Group	▼
Agreement Name		▼
* Settlement Date	10/18/18	
* Settlement Name	Farming Group all 2018-10-18	
* Settle Without Review	No	▼
* Transaction Due Date	10/18/18	
* Accounting Date	10/18/18	
* Conversion Rate Type	Corporate	▼

Parameters :

- **Business Unit** : If you prefer to select all your agreements for a business unit, enter the ‘Business Unit’ that you wish to run netting for. Note, although you can submit by business unit, netting is performed at the legal entity. In this case, all Legal Entities that share the same business unit will be considered for netting.
- **Legal Entity** : Choose the Legal Entity for which you want to net for. You must enter either a ‘Business Unit’ or a ‘Legal Entity’
- **Netting Group** : Optionally select the ‘Netting Group’ for which you want to net.
- **Agreement Name** : If you want to select a single ‘Agreement’ for netting, select the ‘Agreement Name’. If you want all agreements to be processed, you can leave this.

- Select the **'Settlement Date'**. This relates to the date that netting will occur. This cannot be a prior date and it defaults to today's date.
- The **'Settlement Name'** will default to : **'All All + Today's Date'**. You can override the default to any other unique value. This is intended to help you track your settlements by a meaningful convention for your business.
- If you wish to settle all the settlements without reviewing the content, then select **'Yes'** in the **'Settle Without Review'** field. However, **it is strongly recommended that you leave this set to the default of 'No'**, so that you can internally verify and modify the settlement details prior to creating the settlement.
- Select the **'Transaction Due Date'**. All transactions will be selected in the netting process, provided their due dates are before or equal to the 'Transaction Due Date'. Therefore you can use this to net based on when transactions should be due, avoiding late payment charges.
- Select the **'Accounting Date'**. All the payments and receipts that are created will have this accounting date stamped on them.
- Select the **'Conversion Rate Type'**. This is the exchange rate that will be used when calculating any foreign currency transaction gains and losses. For example, your ledger currency may be in GBP, but the transactions may be in EUR.

To submit the process, click the **'Submit'** button. All of the agreements that meet the criteria when submitting the job will be processed. For example, if you had 20 agreements assigned to the 'Netting Farming Group', and 'Settle Without Review' = 'Yes', then all 20 agreements would be processed and automatically settled. Depending on your agreement setup, letters will also be emailed to your third parties.

All of the settlements created will be available for inspection from the 'Manage Netting Settlements' task. Spreadsheets will be available for download for each settlement created.

Reviewing a Settlement

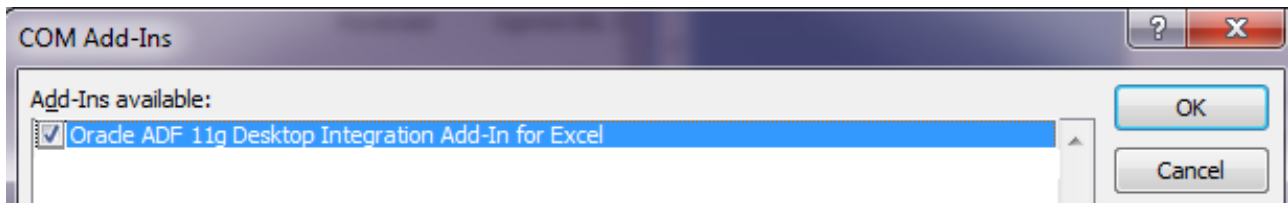
Assuming you have opted to review the settlement prior to the creation of payments and receipts, you can review the proposed settlement in a spreadsheet. It is necessary to review the content, so that you have confirmed that the correct set of invoices and transactions are being selected for netting. This is the last chance to alter the settlement before the netting process creates the payments and receipts.

Click on **'Actions'** -> **'Download Settlement to Spreadsheet'**, or you can download to excel from the download link for the settlement search results table for your settlement number.

Manage Netting Settlements

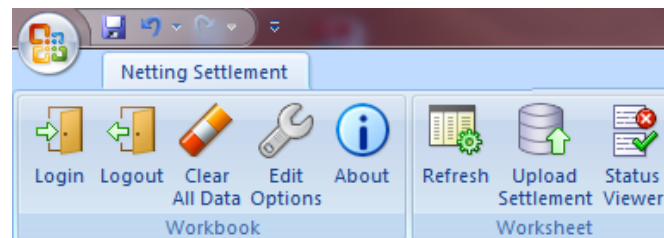
Settlement Number	Settlement Name	Status	Agreement Name	Legal Entity	Settlement Currency	Download	Settlement Date	Netting Group
31024	MyBusiness Plc LIVEDEMO 2017-03-08	Selected	LIVEDEMO	MyBusiness Plc	EUR		3/8/17	

An ADFDi excel file will then be downloaded which you can open to review the details of the settlement. Ensure you have the 'Oracle ADF Desktop Integration Add-In for Excel' installed.



Netting Toolbar

You can then open the file and connect to the instance. In the excel ribbon, you will see the '**Netting Settlement**' menu. If you make changes to the settlement via the ADFDi spreadsheet prior to submitting the final settlement, you must click the '**Upload Settlement**' icon.



Netting Summary

The summary information appears on both tabs ('Payables' and 'Receivables'). For example, the following fields apply.

ORACLE[®] Manage Payables for Netting Settlement

Settlement Number	31024	Payables Amount	127,528,161.40 EUR
Settlement Name	MyBusiness Plc LIVEDEMO 2017-03-08	Receivables Amount	45,458,571.72 EUR
Agreement Name	LIVEDEMO	Proposed Netting Amount	45,458,571.72 EUR
Status	Selected		

- **Settlement Number** that was generated during the process
- **Settlement Name** you entered
- **Agreement Name** that the settlement was created for
- **Status** of the settlement when you download the spreadsheet (e.g. Selected, Reversed or Settled)
- **Payables Amount** : The total amount of Payables Invoices for your suppliers are summed up
- **Receivables Amount** : The total amount of Receivables Transactions for your customers are summed up
- **Proposed Netting Amount** : This represents the amount that can be netted. In this example the amount is equal to the total Payables Amount, indicating that all of the Payables invoices can be netted, but there will be some receivables transactions that cannot be netted in the settlement. It is 'Proposed' since at this point, no payments or receipts have been processed.

You can fine tune the settlement and modify it. This is explained in the next section.

Payables Invoice Details

The 'Payables' tab lists the invoices that were selected for Netting.

Changed	Exclude	Row Status	*Rank	Invoice Number[...]	Invoice Type	Supplier Name[...]	Supplier Number	Supplier Site	Invoice Date	Invoice Amount	Open Amount	Invoice Currency	Settlement Currency
			1	NET_AGRMNT SAMSDI 26	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	1,160,000.00	1,160,000.00	EUR	EUR
			2	NET_AGRMNT SAMSDI 17	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	11,598.84	11,598.84	EUR	EUR
			3	NET_AGRMNT SAMSDI 10	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	243,634.80	243,634.80	EUR	EUR
			4	NET_AGRMNT SAMSDI 86	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	986,116.00	986,116.00	EUR	EUR

Key Columns :

- **Changed/Exclude/Row Status** : These are indicators that track which rows are being removed or changed.
- **Rank** : The order in which the final netting process will net the invoices. The ranking can be changed in case you want to exclude or include other payables invoices in the netting settlement.
- **Invoice Number** : The invoice that is selected by the process as a candidate to be netted.
- **Invoice Type** : The payables invoice type. Only invoice types that you selected in the agreement setup will be selected.
- **Supplier Name, Number and Site** : The supplier details indicate the trading partner in Payables that the invoice relates to.
- **Invoice Date** : The date stamped on the invoice in payables.
- **Invoice Amount** : The total invoice amount in payables.
- **Open Amount** : The amount that will be netted.
- **Invoice Currency** : The invoice currency on the payables invoice.
- **Settlement Currency** : The currency that the invoice will be settled in.

Receivables Transaction Details

The 'Receivables' tab lists the transactions that were selected for Netting.

Changed	Exclude	Row Status	*Rank	Transaction Number[...]	Transaction Type	Customer Name[...]	Customer Number	Customer Site	Transaction Date	Transaction Amount	Open Amount	Transaction Currency	Settlement Currency
			1	NET_AGRMNT SAMSDI 88	Regular Credit Memo	MyThirdParty	CDRM_95119	CDRM_77098	01/09/2016	-526.64	-526.64	EUR	EUR
			2	NET_AGRMNT SAMSDI 73	Regular Credit Memo	MyThirdParty	CDRM_95119	CDRM_77098	01/09/2016	-603.20	-603.20	EUR	EUR
			3	NET_AGRMNT SAMSDI 57	Regular Credit Memo	MyThirdParty	CDRM_95119	CDRM_77098	01/09/2016	-3,729.40	-3,729.40	EUR	EUR
			4	NET_AGRMNT SAMSDI 33	Regular Credit Memo	MyThirdParty	CDRM_95119	CDRM_77098	01/09/2016	-256.36	-256.36	EUR	EUR
			5	NET_AGRMNT SAMSDI 17	Regular Credit Memo	MyThirdParty	CDRM_95119	CDRM_77098	01/09/2016	-4,643.48	-4,643.48	EUR	EUR
			6	NET_AGRMNT SAMSDI 92	Regular Invoice	MyThirdParty	CDRM_95119	CDRM_77098	01/09/2016	1,103,469.72	1,103,469.72	EUR	EUR
			7	NET_AGRMNT SAMSDI 62	Regular Invoice	MyThirdParty	CDRM_95119	CDRM_77098	01/09/2016	1,163,070.52	1,163,070.52	EUR	EUR

Key Columns:

- **Changed/Exclude/Row Status** : These are indicators that track which rows are being removed or changed.
- **Rank** : The order in which the final netting process will net the transactions. The ranking can be changed in case you want to exclude or include other receivable transactions in the netting settlement.
- **Transaction Number** : The transaction that is selected by the process as a candidate to be netted.
- **Transaction Type** : The receivables transaction type. Only transaction types that you selected in the agreement setup will be selected.
- **Customer Name, Number and Site** : The customer details indicate the trading partner in Receivables that the transaction relates to.

- **Transaction Date** : The date stamped on the invoice in receivables.
- **Transaction Amount** : The total invoice amount in receivables.
- **Open Amount** : The amount that will be netted.
- **Transaction Currency** : The transaction currency on the receivables transaction.
- **Settlement Currency** : The currency that the transaction will be settled in.

Modifying a Settlement

After review of the proposed settlement, you may wish to decide to :

- **Remove** some invoices or transactions from the proposed settlement.

ORACLE Manage Payables for Netting Settlement							
Settlement Number		31024		Payables Amount		127,528,161.40 EUR	
Settlement Name		MyBusiness Plc LIVEDEMO 2017-03-08		Receivables Amount		45,458,571.72 EUR	
Agreement Name		LIVEDEMO		Proposed Netting Amount		45,458,571.72 EUR	
Status		Selected					
Changed	Exclude	Row Status	*Rank	Invoice Number[...]	Invoice Type	Supplier Name[...]	
			1	NET_AGRMNT SAMSDI 26	Standard	MyThirdParty	
	•		2	NET_AGRMNT SAMSDI 17	Standard	MyThirdParty	
			3	NET_AGRMNT SAMSDI 10	Standard	MyThirdParty	
	•		4	NET_AGRMNT SAMSDI 86	Standard	MyThirdParty	
			5	NET_AGRMNT SAMSDI 80	Standard	MyThirdParty	

- Double click the '**Exclude**' cell for the invoice or transaction number.
 - A 'blue dot' indicates that the record is selected for exclusion.
 - Save changes – Click the '**Upload Settlement**' menu item.
 - The Payables or Receivables Amount will be decreased in the spreadsheet.
- **Add** other invoices or transactions into the settlement that were not originally selected as part of the process since they did not adhere to the settlement criteria. For example, adding a transaction that was initially had the '**Exclude from Netting**' set to '**Yes**', but subsequently you do wish to include after updating the transaction to remove the exclusion
 - Add a new row in excel
 - Double click the '**Invoice Number**' (if you want to add a payables invoice) or the '**Transaction Number**' (if you want to add a receivables transaction)

Manage Payables for Netting Settlement

Search and Select: Supplier Invoices

Search Advanced Saved Search Default ** At least one

Match ☒ All ☐ Any

** Supplier Name

** Invoice Number

Search Reset

Supplier Name	Supplier Site	Invoice Type	Invoice Number	Invoice Amount	Open Amount	Invoice Date
MyThirdParty	Valencia Div	Standard	NET_AGRMNT...	986,116.00	986,116.00	9/1/16

OK

- Search for the **'Invoice Number'** (Payables) or **'Transaction Number'** (Receivables). Once you have selected your invoice or transaction, it will be added into the spreadsheet.
 - The Row Status will change, indicating that you have new data.
 - Save changes – Click the **'Upload Settlement'** menu item. The row status will indicate that the row has been inserted successfully.
 - The Payables or Receivables Amount will be increased in the spreadsheet.
- **Reorder** some invoices or transactions to force them to be netted. For example, you notice that you have a very important invoice that you want to be netted. However, since the AP total amount is substantially more than the AR total amount there is not enough AR balance to net with AP. You can increase the ranking of the AP invoice to 1 to force the invoice to be netted.

ORACLE Manage Payables for Netting Settlement

Settlement Number 31024	Payables Amount 127,528,161.40 EUR
Settlement Name MyBusiness Plc LIVEDEMO 2017-03-08	Receivables Amount 45,458,571.72 EUR
Agreement Name LIVEDEMO	Proposed Netting Amount 45,458,571.72 EUR
Status Selected	

Changed	Exclude	Row Status	*Rank	Invoice Number[...]	Invoice Type	Supplier Name
			100	NET_AGRMNT SAMSDI 86	Standard	MyThirdParty
			99	NET_AGRMNT SAMSDI 26	Standard	MyThirdParty
			75	NET_AGRMNT SAMSDI 17	Standard	MyThirdParty
			4	NET_AGRMNT SAMSDI 10	Standard	MyThirdParty
			5	NET_AGRMNT SAMSDI 80	Standard	MyThirdParty

Confirmation that the row is being updated is reflected by the blue triangle in the 'Changed' column for the invoice or transaction that you have modified.

- Save changes – Click the **'Upload Settlement'** menu item.

At this stage, the proposed settlement has been created, reviewed and modified. The settlement is now ready to be submitted for the netting to take place.

Submitting a Settlement

Submitting a settlement that is in 'Selected' status will run the settlement process to create the payments and receipts. Depending on the 'Netting Letters' setup, the netting letter may be automatically submitted from the netting routine.

Submit a Settlement

To submit a settlement :

- Search for the settlement in the '**Manage Netting Settlements**' user interface.
- Select the row.
- Click on '**Actions**' -> '**Submit Settlement**'.
- A confirmation will show, indicating that the process has been submitted.


Manage Netting Settlements

► Search


Actions ▾ View ▾ + [Print] [Refresh] Download Settlements

Create Settlement
Delete Settlement
Submit Settlement
Reverse Settlement
Download Settlement to Spreadsheet

	Status	Agreement Name	Legal Entity
DEMO 2017-03-08	Selected	LIVEDEMO	MyBusiness Plc

- Refresh the data  in the settlement table.
- The settlement will change from status '**Selected**' to '**Clearing**'. This indicates that the payments and receipts are being created in payables and receivables.

Settlement Number	Settlement Name	Status	Agreement Name
31024	MyBusiness Plc LIVEDEMO 2017-03-08	Clearing	LIVEDEMO

- When the settlement is complete, the settlement will change to '**Settled**'. Click on  to check for completion.

Actions ▾ View ▾ + [Print] **[Refresh]** Download Settlements

Settlement Number	Settlement Name	Status	Agreement Name
31024	MyBusiness Plc LIVEDEMO 2017-03-08	Settled	LIVEDEMO

During the settlement process, the following reports are also run:

- **Netting Report** : Lists all of the invoices and transactions with details on the amounts netted.
- **Netting Letter** : If you have enabled the '**Generate Netting Letter**' a netting letter is produced for your third party. If you enabled the '**Send Letters by E-Mail**' option the letter will automatically be sent to the third party contact. See the '**Letters**' section in 'Netting Agreement Setup'.

Review Settlement Details

To review the settlement details (prior to final submission) such as :

- Payment Numbers
- Receipt Numbers
- Invoices Netted
- Transactions Netted
- Invoices not Netted (Payables balance is greater than Receivables balance)

The Netting manager should :

- Search for the 'Settlement' in the '**Manage Netting Settlements**' user interface.

Manage Netting Settlements

► Search

Actions ▾ View ▾ + Download Settlements

Settlement Number	Settlement Name	Status	Agreement Name	Legal Entity	Settlement Currency	Download
31024	MyBusiness Plc LIVEDEMO 2017-03-08	Settled	LIVEDEMO	MyBusiness Plc	EUR	

- Click the '**Download**' link to download the spreadsheet.
- Open the spreadsheet to review the details. Connect to the environment when prompted.
- Example Output (**Payables** Tab) :
 - The '**Payment Number**' is shown indicating the payment number that was stamped on the invoice in payables.
 - The total '**Netting Amount**'. This is the sum of the payables invoices that were successfully netted.
 - The '**Netted Amount**' for each payables invoice.

ORACLE® Manage Payables for Netting Settlement

Settlement Number 31024
Settlement Name MyBusiness Plc LIVEDEMO 2017-03-08
Agreement Name LIVEDEMO
Status Settled

Netting Amount 45,458,571.72 EUR

Rank	Payment Number	Invoice Number	Invoice Type	Supplier Name	Supplier Number	Supplier Site	Invoice Date	Invoice Amount	Invoice Currency	Netted Amount	Settlement Currency
1	27008	NET_AGRMNT SAMSDI 26	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	1,160,000.00	EUR	1,160,000.00	EUR
2	27008	NET_AGRMNT SAMSDI 17	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	11,598.84	EUR	11,598.84	EUR
3	27008	NET_AGRMNT SAMSDI 10	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	243,634.80	EUR	243,634.80	EUR
4	27008	NET_AGRMNT SAMSDI 86	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	986,116.00	EUR	986,116.00	EUR
5	27008	NET_AGRMNT SAMSDI 80	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	36,205.92	EUR	36,205.92	EUR
6	27008	NET_AGRMNT SAMSDI 75	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	9,021.32	EUR	9,021.32	EUR

- If '**Payables**' > '**Receivables**', some invoices will not be netted. An invoice can be partially netted. The netting manager can review these details in the spreadsheet. The '**Netted Amount**' will be zero, or will be less than the '**Invoice Amount**'.

ORACLE

Manage Payables for Netting Settlement

Settlement Number

31024

Settlement Name

MyBusiness Plc LIVEDEMO 2017-03-08

Agreement Name

LIVEDEMO

Status

Settled

Netting Amount

45,458,571.72 EUR

Rank	Payment Number	Invoice Number	Invoice Type	Supplier Name	Supplier Number	Supplier Site	Invoice Date	Invoice Amount	Invoice Currency	Netted Amount	Settlement Currency
31	27008	NET_AGRMNT SAMSDI 31	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	110,426,333.40	EUR	35,286,422.85	EUR
32		NET_AGRMNT SAMSDI 18	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	10,310.08	EUR	0.00	EUR
33		NET_AGRMNT SAMSDI 11	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	144,109.12	EUR	0.00	EUR
34		NET_AGRMNT SAMSDI 9	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	127,646.40	EUR	0.00	EUR
35		NET_AGRMNT SAMSDI 2	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	24,363.48	EUR	0.00	EUR
36		NET_AGRMNT SAMSDI 14	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	359,646.40	EUR	0.00	EUR
37		NET_AGRMNT SAMSDI 91	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	75.40	EUR	0.00	EUR
38		NET_AGRMNT SAMSDI 73	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	11,598.84	EUR	0.00	EUR

- **'Payment Numbers'** will be blank, indicating that the invoice was not netted. The invoice will be made available for the next netting settlement, or it can be paid in payables.
- **'Netted Amount'** of invoices were not netted will have zero in the **'Netted Amount'** column.
- **'Partially Netted Invoices'** can be identified as those that have an **'Invoice Amount'** that is greater than the **'Netted Amount'** and the **'Netted Amount'** is not zero. In such cases, the invoice has been partially paid. Partial payments may be used in future settlements or the balance may be marked as paid in the traditional business process outside of Netting.

- Example Output (**Receivables Tab**) :

- The **'Receipt Number'** is shown indicating the receipt number that was stamped on the transaction in receivables.
- The total **'Netting Amount'**. This is the sum of the receivables transactions that were successfully netted.
- The **'Netted Amount'** for each receivables transaction.

ORACLE® Manage Receivables for Netting Settlement

Settlement Number31024

Settlement NameMyBusiness Plc LIVEDEMO 2017-03-08

Agreement NameLIVEDEMO

StatusSettled

Netting Amount

45,458,571.72 EUR

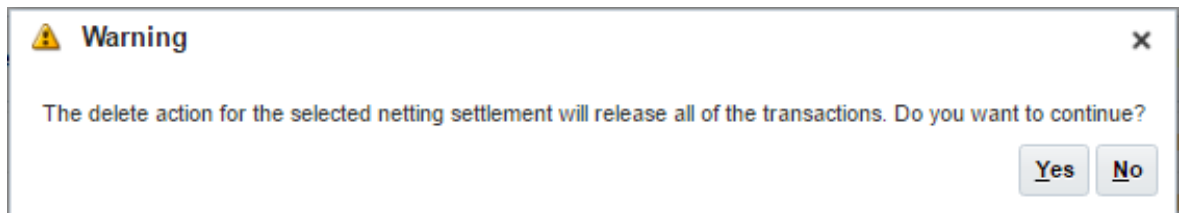
Rank	Receipt Number	Transaction Number	Transaction Type	Customer Name	Customer Number	Customer Site	Transaction Date	Transaction Amount	Transaction Currency	Netted Amount	Netted Amount Currency
1	31091-1	NET_AGRMNT SAMSDI 88	Regular Credit Memo	MyThirdParty	CDRM_95119	CDRM_77098	01/09/2016	-526.64	EUR	-526.64	EUR
2	31091-1	NET_AGRMNT SAMSDI 73	Regular Credit Memo	MyThirdParty	CDRM_95119	CDRM_77098	01/09/2016	-603.20	EUR	-603.20	EUR
3	31091-1	NET_AGRMNT SAMSDI 57	Regular Credit Memo	MyThirdParty	CDRM_95119	CDRM_77098	01/09/2016	-3,729.40	EUR	-3,729.40	EUR
4	31091-1	NET_AGRMNT SAMSDI 33	Regular Credit Memo	MyThirdParty	CDRM_95119	CDRM_77098	01/09/2016	-256.36	EUR	-256.36	EUR
5	31091-1	NET_AGRMNT SAMSDI 17	Regular Credit Memo	MyThirdParty	CDRM_95119	CDRM_77098	01/09/2016	-4,643.48	EUR	-4,643.48	EUR

Deleting a Settlement

If a settlement has been created and is in '**Selected**' or '**Selected no transactions**' status, and you have decided that the settlement is no longer required, you can delete a settlement as follows:

To delete a settlement :

- Search for the settlement in the '**Manage Netting Settlements**' user interface.
- Select the row.
- Click on '**Actions**' -> '**Delete Settlement**'.
 - A warning will show:



- Deleting a settlement releases the transactions from the settlement to be available for future netting settlements. Click '**Yes**' to confirm.
- The settlement will no longer be in the settlements user interface.

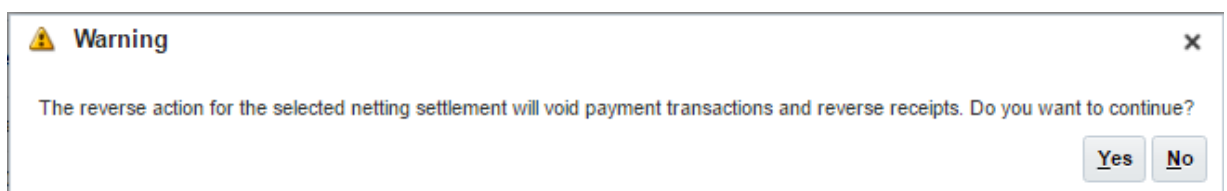
Settlements that have already been '**Reversed**' or '**Settled**' cannot be deleted.

Reversing a Settlement


If a settlement has been created and is in '**Settled**' status, indicating that the payments and receipts have already been created, but you have realized that the **settlement was erroneously created**, you can '**Reverse**' a settlement as follows:

To reverse a settlement :

- Search for the settlement in the '**Manage Netting Settlements**' user interface.
- Select the row.
- Click on '**Actions**' -> '**Reverse Settlement**'.
 - A warning will show:



- Reversing a settlement will void the payments and reverse the receipts. The invoices and transactions from the settlement will then be available once again for future netting settlements. Click '**Yes**' to confirm.
- A confirmation will appear indicating that the process to reverse has been submitted.

- Refresh the data  in the settlement table.
- The settlement will change from status '**Settled**' to '**Reversed**'. This indicates that the payments have been voided and receipts are now reversed.

Actions

View

+

Download Settlements

Settlement Number	Settlement Name	Status	Agreement Name
31024	MyBusiness Plc LIVEDEMO 2017-03-08	Reversed	LIVEDEMO

- A netting reversal letter is then automatically created which can be emailed or sent to the third party, indicating that the payments and receipts have been reversed.
- See the '**Netting Reversal Letter**' section in 'Netting Reporting'.

Only settlements that are '**Settled**' can be '**Reversed**'.

Downloading Settlements to a Spreadsheet

In some circumstances, you may want to process multiple settlements at once because either you have large volumes or you want to settle multiple settlements.

To download settlements to a spreadsheet for processing:

- Search for the settlements in the **Manage Netting Settlements** page.
- Click the **Download Settlements** button.

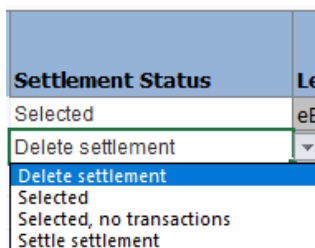
Note: If the search results show at least one settlement that is in either **Selected** or **Selected, no transactions** status, then the **Download Settlements** button will be enabled:

Download Settlements

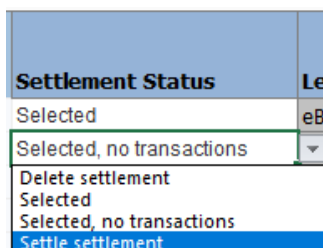
- All settlements in the search results that are in either **Selected** or **Selected, no transactions** status will be downloaded to a spreadsheet. Settlements in other statuses are not downloaded.
- Open the spreadsheet.

Changed	Status	Settlement Status	Legal Entity	Settlement Name	Settlement Number	Agreement Name	Open Payables Amount	Open Receivables Amount	Proposed Netting Settlement Amount	Conversion Rate	Netting Group	Settlement Date	Accounting Date	Last Updated Date
		Selected	eBTax_UK Oracle-2	DISC09 Merda Resellers Disc 2	25011	Merda Resellers Disc	52,372.00	173,811.40	52,372.00	EUR	Corporate	18/01/2019	18/01/2019	18/01/2019
		Selected, no transactions	eBTax_UK Oracle-2	VOLUME XLS ALL 2019-01-16	24008	Merda Gascol GBP/EUR	0.00	0.00	0.00	EUR	Corporate	16/01/2019	16/01/2019	16/01/2019
		Selected	eBTax_UK Oracle-2	VOLUME XLS ALL 2019-01-16	24015	FINL_EMEA_QA_ONLY Agri	59,644.00	18,771.00	18,771.00	GBP	Corporate	16/01/2019	16/01/2019	16/01/2019
		Selected	eBTax_UK Oracle-2	VOLUME XLS ALL 2019-01-16	24007	Salamanca Banking	37,744.00	18,553.50	18,553.50	GBP	Corporate	16/01/2019	16/01/2019	16/01/2019
		Delete settlement	eBTax_UK Oracle-2	eBTax_UK Oracle-2 ALL 2019-23014	23014	Ciceros Farming	15,544.00	18,553.50	15,544.00	GBP	IF Corp	14/01/2019	14/01/2019	14/01/2019
		Selected, no transactions	eBTax_UK Oracle-2	eBTax_UK Oracle-2 Sagovia Di	25013	Sagovia Distribution	15,544.00	212,563.26	15,544.00	GBP	Corporate	18/01/2019	18/01/2019	18/01/2019
		Settle settlement	eBTax_UK Oracle-2	RUN3 All 2018-12-14	17036	Valencia Farming Oranges	13,806.08	212,563.26	13,806.08	GBP	Corporate	14/12/2018	14/12/2018	14/12/2018
		Selected, no transactions	eBTax_UK Oracle-2	VOLUME XLS ALL 2019-01-16	24011	Santander Banking	0.00	0.00	0.00	GBP	Corporate	16/01/2019	16/01/2019	16/01/2019
		Selected, no transactions	eBTax_UK Oracle-2	VOLUME XLS ALL 2019-01-16	24014	Santiago Cathedral Spres	0.00	0.00	0.00	GBP	Corporate	16/01/2019	16/01/2019	16/01/2019

- Select the **Manage Netting Settlements** tab in the ribbon.
- To delete settlements:
 - In the **Settlement Status** dropdown, select **Delete settlement**.



- To submit settlements to be processed:
 - In the **Settlement Status** dropdown, select **Settle settlement**.



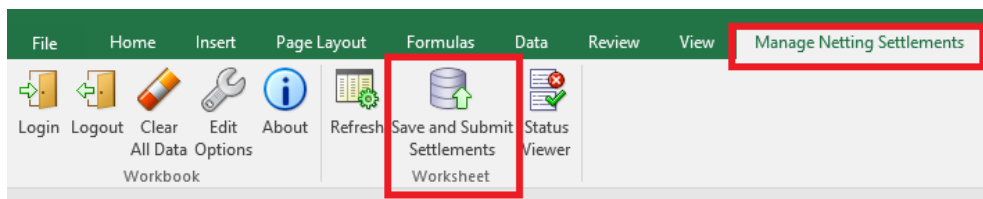
- If you want to leave settlements in either **Selected** or **Selected, no transactions** statuses, keep the **Settlement Status** field unchanged.

Note: The fields that you can change in the spreadsheet are the **Settlement Status** fields. And you can only make these changes:

Original Settlement Status	Can be changed to ...
Selected	Delete settlement
Selected	Settle settlement
Selected, no transactions	Delete settlement

If you try to make other status changes (for example, changing a settlement from **Selected** to **Selected, no transactions**), the spreadsheet will revert to the original status for that settlement.

- Once you complete your updates, click **Save and Submit Settlements** on the **Manage Netting Settlements** ribbon.



- Settlements that were marked as **Delete settlement**, will be deleted. They will no longer appear in the spreadsheet or the **Manage Netting Settlements** page.
- Settlements that were marked as **Settle settlement**, will be settled. The settlements process will create payments and receipts for all invoices and transactions for all settlements marked as **Settle settlement**. Once settled, you can review the content from the **Manage Netting Settlements** page.
- The spreadsheet will automatically refresh. It will now list the remaining settlements that were unchanged, for review or further processing.

8. Netting Reporting

Navigation : Navigator → Financial Reporting Center

There are 4 different types of Netting Reports :

- **Netting Settlement Letter** : If the 'Generate Netting Letter' was selected for the agreement, a letter will be generated each time a settlement takes place. The letter can then be sent to your third party.
- **Netting Settlement Report** : A Netting report can be generated which details the settlement.
- **Netting Settlement Listing** : This is the same as the 'Netting Report', but it is generated in xls format, so that you can easily import the data into a spreadsheet for data manipulation.
- **Netting Reversal Letter** : If you 'Reverse' a settlement that is already settled, a 'Netting Reversal Letter' will automatically be generated to send to your third party.

The 'Netting Letter' and 'Netting Reversal Letter' can optionally be emailed direct to the third party. See the '**Letters**' section in 'Netting Agreement Setup'.

Access the report output from either the Financial Reporting Center....



Or, access the report output from within ESS : *Navigator -> Tools -> Scheduled Process*

Netting Settlement Letter

The netting letter is automatically run when the netting manager submits a settlement or creates a settlement without review. Access the report from the 'Financial Reporting Center'. The letter lists :

- Payables Invoices that were netted, showing the :
 - Invoice Number
 - Invoice Type
 - Invoice Date
 - Invoice Amount
 - Netted Amount
 - Invoice Currency
 - Invoice Total
 - Netted Total

Example :

Finance Department
99765 Pont de Montolivet
46023 VALENCIA
SPAIN

3/13/17

Payables invoices offset by outstanding receivables transactions.

The table below lists the payables invoices that have been offset by receivable transactions in Netting Settlement **MyBusiness Plc LIVEDEMO 2017-03-08, 31024** as indicated in the following.

Payables Transactions

Supplier Name MyThirdParty
Supplier Number 1449703146
Site Valencia Div

Invoice Number	Invoice Type	Invoice Date	Invoice Amount	Netted Amount	Invoice Currency
NET_AGRMNT SAMSDI 26	Standard	9/1/16	1,160,000.00	1,160,000.00	EUR
NET_AGRMNT SAMSDI 17	Standard	9/1/16	11,598.84	11,598.84	EUR
NET_AGRMNT SAMSDI 10	Standard	9/1/16	243,634.80	243,634.80	EUR

Only Payables invoices that were netted are listed.

- Receivables Transactions that were netted, showing the :
 - Transaction Number
 - Transaction Type
 - Transaction Date
 - Transaction Amount
 - Netted Amount
 - Transaction Currency
 - Transaction Total
 - Netted Total

Example :

Receivables Transactions

Customer MyThirdParty
Customer Number CDRM_95119
Location CDRM_77098

Transaction Number	Transaction Type	Transaction Date	Transaction Amount	Netted Amount	Transaction Currency
NET_AGRMNT SAMSDI 88	Credit Memo	9/1/18	-526.64	-526.64	EUR
NET_AGRMNT SAMSDI 73	Credit Memo	9/1/18	-803.20	-803.20	EUR
NET_AGRMNT SAMSDI 57	Credit Memo	9/1/18	-3,729.40	-3,729.40	EUR
NET_AGRMNT SAMSDI 33	Credit Memo	9/1/18	-256.36	-256.36	EUR
NET_AGRMNT SAMSDI 17	Credit Memo	9/1/18	-4,643.48	-4,643.48	EUR
NET_AGRMNT SAMSDI 92	Invoice_40	9/1/18	1,103,469.72	1,103,469.72	EUR
NET_AGRMNT SAMSDI 82	Invoice_40	9/1/18	1,163,070.52	1,163,070.52	EUR

The '**Netting Settlement Letter**' can be automatically sent via E-Mail to the 'Third Party'. See the '**Letters**' section in 'Netting Agreement Setup'.

Netting Settlement Report

The **'Netting Settlement Report'** is an internal report for the netting manager to review. It can be run from the 'Financial Reporting Center'. It lists the:

- **'Netting Agreement'** and **'Netting Settlement'** options that were valid at the point of settlement.



Legal Entity	MyBusiness Plc
Netting Agreement Name	LIVEDEMO
Start Date	3/7/16
End Date	
Trading Partner Reference	TPR7654
Netting Bank Account Name	Netting Bank Account
Netting Order Rule	Due date from oldest to most recent
Netting Balance Rule	Net always
Netting Currency Rule	Use single currency
Netting Grouping	
Currency	EUR
Exchange Rate	
Exchange Rate Type	Corporate
Settlement Number	31024
Settlement Name	MyBusiness Plc LIVEDEMO 2017-03-08
Settlement Status	Settled
Settlement Currency	EUR
Settlement Date	3/10/17
Transaction Due Date	3/8/17
Final Netting Amount	45,458,571.72

Pay Groups

All Pay Groups Selected

- **Payables Invoices**
 - Supplier Name
 - Supplier Number
 - Taxpayer ID
 - Tax Registration Number
 - Supplier Site
 - Invoice Number
 - Invoice Date
 - Invoice Type
 - Amount
 - Invoice Currency
 - Open Amount (The open invoice amount before netting)
 - Final Netting Amount (The amount of the invoice that was netted)

- Open Amount after Netting (The final open invoice amount after netting). In some cases, an invoice may be partially netted. The invoice that was partially netted can be identified as the invoice where there is a positive 'Open Amount after Netting' that is less than the 'Open Amount'

Amount	Invoice Currency	Open Amount	Final Netting Amount	Open Amount After Netting
110,426,333.40	EUR	110,426,333.40	35,286,422.85	75,139,910.55

- Settlement Currency
- Invoice Amount Total
- Open Amount Total
- Final Netting Amount Total
- Open Amount after Netting Total

ORACLE

Netting Settlement Report

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Payables Transactions

Supplier Name	Supplier Number	Taxpayer ID	Tax Registration Number	Supplier Site	Invoice Number	Invoice Date	Invoice Type	Terms Date	Amount	Invoice Currency	Open Amount	Final Netting Amount	Open Amount After Netting	Settlement Currency
MyThirdParty	1449703146	300100089662745		Valencia Div	NET_AGRMNT SAMSDI 26	9/1/16	Standard	9/1/16	1,160,000.00	EUR	1,160,000.00	1,160,000.00	0.00	EUR
MyThirdParty	1449703146	300100089662745		Valencia Div	NET_AGRMNT SAMSDI 17	9/1/16	Standard	9/1/16	11,598.84	EUR	11,598.84	11,598.84	0.00	EUR
MyThirdParty	1449703146	300100089662745		Valencia Div	NET_AGRMNT SAMSDI 10	9/1/16	Standard	9/1/16	243,634.80	EUR	243,634.80	243,634.80	0.00	EUR
MyThirdParty	1449703146	300100089662745		Valencia Div	NET_AGRMNT SAMSDI 86	9/1/16	Standard	9/1/16	986,116.00	EUR	986,116.00	986,116.00	0.00	EUR

• Receivables Transactions

- Customer Name
- Customer Number
- Taxpayer ID
- Tax Registration Number
- Customer Site
- Transaction Number
- Transaction Date
- Transaction Type
- Amount
- Transaction Currency
- Open Amount (The open invoice amount before netting)
- Final Netting Amount (The amount of the invoice that was netted)
- Open Amount after Netting
- Settlement Currency
- Transaction Amount Total
- Open Amount Total
- Final Netting Amount Total
- Open Amount after Netting Total

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Netting Settlement Report

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Receivables Transactions

Customer Name	Customer Number	Taxpayer ID	Tax Registration Number	Customer Site	Transaction Number	Transaction Date	Transaction Type	Terms Date	Amount	Transaction Currency	Open Amount	Final Netting Amount	Open Amount After Netting	Settlement Currency
MyThirdParty	CDRM_95119			CDRM_7709 8	NET_AGRMNT SAMSDI 88	9/1/16	Credit Memo	9/1/16	-526.64	EUR	-526.64	-526.64	0.00	EUR
MyThirdParty	CDRM_95119			CDRM_7709 8	NET_AGRMNT SAMSDI 73	9/1/16	Credit Memo	9/1/16	-603.20	EUR	-603.20	-603.20	0.00	EUR
MyThirdParty	CDRM_95119			CDRM_7709 8	NET_AGRMNT SAMSDI 57	9/1/16	Credit Memo	9/1/16	-3,729.40	EUR	-3,729.40	-3,729.40	0.00	EUR
MyThirdParty	CDRM_95119			CDRM_7709 8	NET_AGRMNT SAMSDI 33	9/1/16	Credit Memo	9/1/16	-256.36	EUR	-256.36	-256.36	0.00	EUR

Netting Settlement Listing

The 'Netting Settlement Listing' is an internal report in spreadsheet format, for the netting manager to review. It can be scheduled after the netting manager submits a settlement or creates a settlement without review. Access the report from the 'Financial Reporting Center'. It has four sections:

- **Title Tab :**
 - Report Name
 - Report Date
 - Legal Entity
 - Settlement Name

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Netting Settlement Listing

Legal Entity

MyBusiness Plc

Settlement Name

MyBusiness Plc LIVEDEMO 2017-03-08

- **Header Tab :** Lists 'Netting Agreement' and 'Netting Settlement' options that were valid at the point of settlement.

5	
6	Legal Entity MyBusiness Plc
7	Netting Agreement Name LIVEDEMO
8	Start Date 3/7/16
9	End Date
10	Trading Partner Reference TPR7654
11	Netting Bank Account Name Netting Bank Account
12	Netting Order Rule Due date from oldest to most recent
13	Netting Balance Rule Net always
14	Netting Currency Rule Use single currency
15	Netting Grouping
16	Currency EUR
17	Exchange Rate
18	Exchange Rate Type Corporate
19	Settlement Number 31024
20	Settlement Name MyBusiness Plc LIVEDEMO 2017-03-08
21	Settlement Status Settled
22	Settlement Currency EUR
23	Settlement Date 3/10/17
24	Transaction Due Date 3/8/17
25	Final Netting Amount 45,458,571.72
26	
27	
28	Pay Groups
29	All Pay Groups Selected

- **Payables Transactions Tab**

- Supplier Name
- Supplier Number
- Taxpayer ID
- Tax Registration Number
- Supplier Site
- Invoice Number
- Invoice Date
- Invoice Type
- Amount
- Invoice Currency
- Open Amount (The open invoice amount before netting)
- Final Netting Amount (The amount of the invoice that was netted)
- Open Amount after Netting (The final open invoice amount after netting). In some cases, an invoice may be partially netted. The invoice that was partially netted can be identified as the invoice where there is a positive 'Open Amount after Netting' that is less than the 'Open Amount'

Netting Settlement Listing

3/13/1

Invoice Number	Invoice Date	Invoice Type	Terms Date	Invoice Amount	Currency	Open Amount	Final Netting Amount	Open Amount After Netting
NET_AGRMNT SAMSDI 31	9/1/16	Standard	9/1/16	110,426,333.40	EUR	110,426,333.40	35,286,422.85	75,139,910.55

- Settlement Currency

- **Receivables Transactions Tab**

- Customer Name
- Customer Number
- Taxpayer ID
- Tax Registration Number
- Customer Site
- Transaction Number
- Transaction Date
- Transaction Type
- Amount
- Transaction Currency
- Open Amount (The open invoice amount before netting)
- Final Netting Amount (The amount of the invoice that was netted)
- Open Amount after Netting
- Settlement Currency

Netting Reversal Letter

The **'Netting Reversal Letter'** will automatically run when the netting manager **'Reverses'** a **'Netting Settlement'**. See the **'Reversing a Settlement'** section in 'Managing Netting Settlements'.

Running the Netting Reversal Letter Manually

Task name: Scheduled Processes

Navigation: Navigator -> Scheduled Processes

The netting manager can also schedule the report from 'Scheduled Processes'.

- Select 'Netting Settlement Letter' as the report to run.
- Select the 'Legal Entity'
- Select the 'Settlement Name'
- If there are multiple settlements for the 'Settlement Name', select the 'Settlement Number' that relates to the settlement where you want to print the 'Reversal Letter'

Name	Netting Settlement Letter	
Description	Lists letters that detail Receivables and Payab...	<input type="checkbox"/> Notify me when this process ends
Schedule	As soon as possible	Submission Notes <input type="text"/>

Basic Options

Parameters

* Legal Entity	eBTax_UK Oracle-2	▼
* Settlement Name	Santiago Cathedral Spires 2018-03-28	▼
* Settlement Number	13003	▼

Emailing the Netting Reversal Letter

If the 'Send Letters by E-Mail' option is selected on the 'Agreement', an email of the reversal letter will be sent to the Third Party Contact. Example of incoming email for the Third Party contact:

Filter these messages <C			
Unread Starred Contact Tags Attachment			
Subject	From	Date	
Netting Settlement Letter from MyBusinessPLC - 31024	netting_manager@mybusiness.com	09:14	

- The reversal letter is attached to the email.

The letter is similar to the 'Netting Settlement Letter', but in this scenario, the letter indicates that the payments have been voided and the receipts have been reversed :

Finance Department
99765 Pont de Montolivet
46023 VALENCIA
SPAIN

3/28/17

Finance Department
Bob Childs
AV
José Echegaray
Las Rozas
Spain

Payables payments voided in the settlement reversal.

The table below lists the payables invoices that have been included in the settlement reversal process. The reversal has voided all of the payments previously created in the Netting Settlement **MyBusiness Plc LIVEDEMO 2017-03-08, 31024**.

Payables Transactions


Supplier Name MyThirdParty
Supplier Number 1449703146
Site Valencia Div




Invoice Number	Invoice Type	Invoice Date	Invoice Amount	Netted Amount	Invoice Currency
NET_AGRMNT SAMSDI 86	Standard	9/1/16	986,116.00	0.00	EUR
NET_AGRMNT SAMSDI 26	Standard	9/1/16	1,160,000.00	0.00	EUR
NET_AGRMNT SAMSDI 17	Standard	9/1/16	11,598.84	0.00	EUR
NET_AGRMNT SAMSDI 10	Standard	9/1/16	243,634.80	0.00	EUR
NET_AGRMNT SAMSDI 80	Standard	9/1/16	36,205.92	0.00	EUR
NET_AGRMNT SAMSDI 75	Standard	9/1/16	9,021.32	0.00	EUR
NET_AGRMNT SAMSDI 70	Standard	9/1/16	359,646.40	0.00	EUR
NET_AGRMNT SAMSDI 87	Standard	9/1/16	1,850,375.16	0.00	EUR

Netting Reversal Spreadsheet

The netting manager can also obtain the reversal details of the netting settlement by downloading to a spreadsheet.

To download reversal details of a settlement :

- Search for the settlement in the 'Manage Netting Settlements' user interface.
- Select the row.
- Click on 'Actions' -> 'Download Settlement to Spreadsheet', or click on the 'Download' icon .

Actions ▾ View ▾ +   Download Settlements						
Settlement Number	Settlement Name	Status	Agreement Name	Legal Entity	Settlement Currency	Download
31024	MyBusiness Plc LIVEDEMO 2017-03-08	Reversed	LIVEDEMO	MyBusiness Plc	EUR	

- The spreadsheet will download.
- The 'Payables' tab lists the **voided** payments.
 - The 'Settlement Status' is 'Reversed'.
 - The 'Netting Amount' will be zero.
 - The 'Netted Amount' for the transactions will be zero.

ORACLE Manage Payables for Netting Settlement											
Settlement Number 31024		Netting Amount 0.00 EUR									
Settlement Name MyBusiness Plc LIVEDEMO 2017-03-08											
Agreement Name LIVEDEMO											
Status Reversed											
Rank	Payment Number	Invoice Number	Invoice Type	Supplier Name	Supplier Number	Supplier Site	Invoice Date	Invoice Amount	Invoice Currency	Netted Amount	Settlement Currency
1	27008	NET_AGRMNT SAMSDI 26	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	1,160,000.00	EUR	0.00	EUR
2	27008	NET_AGRMNT SAMSDI 17	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	11,598.84	EUR	0.00	EUR
3	27008	NET_AGRMNT SAMSDI 10	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	243,634.80	EUR	0.00	EUR
4	27008	NET_AGRMNT SAMSDI 86	Standard	MyThirdParty	1449703146	Valencia Div	01/09/2016	986,116.00	EUR	0.00	EUR

- The 'Receivables' tab lists the receipts that have been **reversed**.
 - The 'Settlement Status' is 'Reversed'.
 - The 'Netting Amount' will be zero.
 - The 'Netted Amount' for the invoices will be zero.

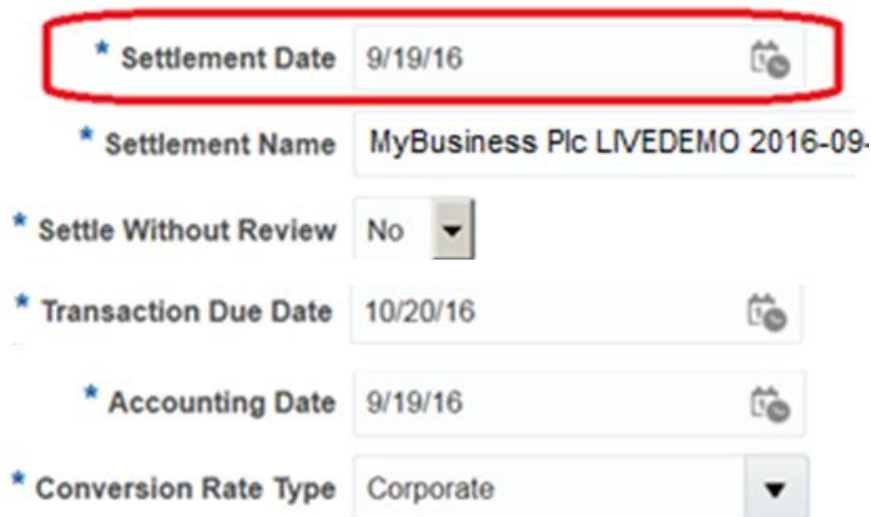
ORACLE Manage Receivables for Netting Settlement											
Settlement Number 31024		Netting Amount 0.00 EUR									
Settlement Name MyBusiness Plc LIVEDEMO 2017-03-08											
Agreement Name LIVEDEMO											
Status Reversed											
Rank	Receipt Number	Transaction Number	Transaction Type	Customer Name	Customer Number	Customer Site	Transaction Date	Transaction Amount	Transaction Currency	Netted Amount	Settlement Currency
1	31091-1	NET_AGRMNT SAMSDI 88	Regular Credit Memo	MyThirdParty	CDRM_95119	CDRM_77098	01/09/2016	-526.64	EUR	0.00	EUR
2	31091-1	NET_AGRMNT SAMSDI 73	Regular Credit Memo	MyThirdParty	CDRM_95119	CDRM_77098	01/09/2016	-603.20	EUR	0.00	EUR
3	31091-1	NET_AGRMNT SAMSDI 57	Regular Credit Memo	MyThirdParty	CDRM_95119	CDRM_77098	01/09/2016	-3,729.40	EUR	0.00	EUR

APPENDIX – DISCOUNTS WORKING EXAMPLE

The **'Create Netting Agreements'** section shows how to setup an agreement that considers discounts on Payables invoices and Receivables transactions via the **'Allow early settlement discount'** checkbox.

Discounts from Payables and Receivables are calculated when the settlement is submitted into **'Settled'** status. Therefore, discounts will not be able to be calculated or viewed when the settlement is in **'Selected'** status.

A discount is considered, based on the **'Invoice and Transaction Due Dates'** and the **'Settlement Date'** when creating a settlement.



The screenshot shows a form with the following fields:

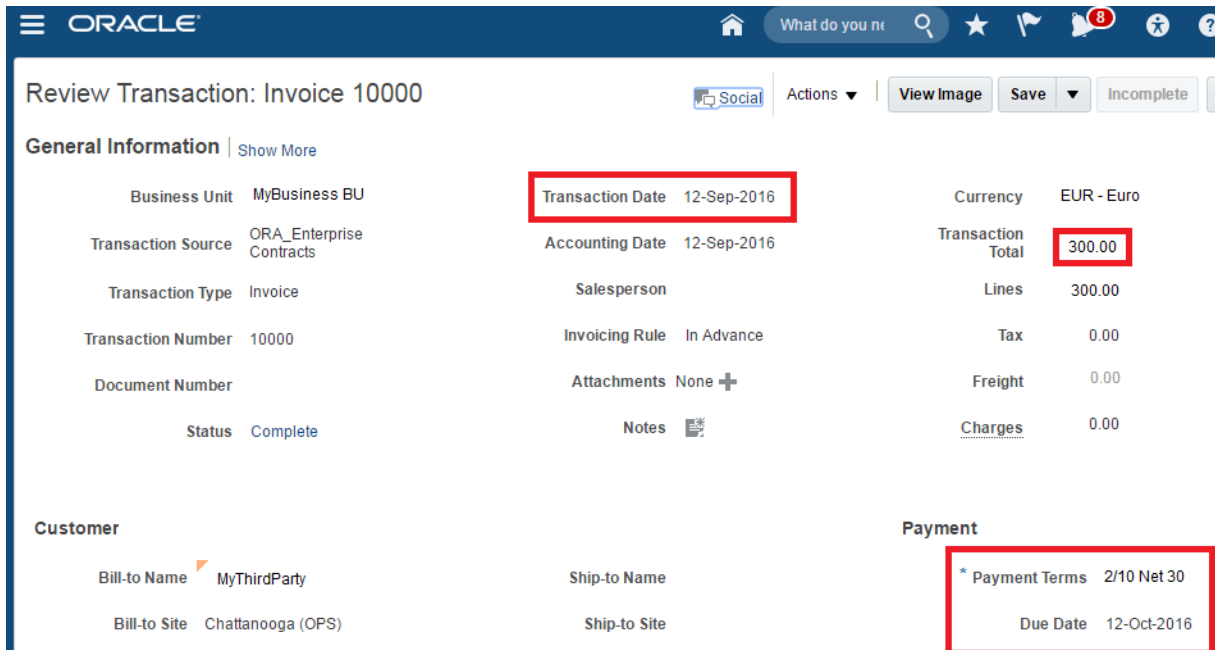
- * Settlement Date**: 9/19/16 (highlighted with a red rectangle)
- * Settlement Name**: MyBusiness Plc LIVEDEMO 2016-09
- * Settle Without Review**: No (dropdown menu)
- * Transaction Due Date**: 10/20/16
- * Accounting Date**: 9/19/16
- * Conversion Rate Type**: Corporate (dropdown menu)

- The **'Settlement Date'**, **'Invoice due date'**, **'Transaction due date'** and **'Allow early settlement discount'** checkbox will determine if the discount will be considered.
- The invoices and transactions that will be considered for discounts will have a due date that falls within the dates entered.

An Example :

Transactions are entered with payment terms that have been defined as *discount is available* if transactions are settled within the discount period (2/10, Net 30). i.e. a 2% discount is applicable if it is paid within 10 days, otherwise it must be paid within 30 days. The following 2 invoices are considered to be part of a settlement that contains other invoices and transactions.

1. **Payment Terms** on transactions in Receivables and Payables: Payment terms 2/10, Net 30.
2. **Payables Invoice and Receivables Transaction Dates:** 12 September 2016
3. Receivables transaction amount: € 300.00



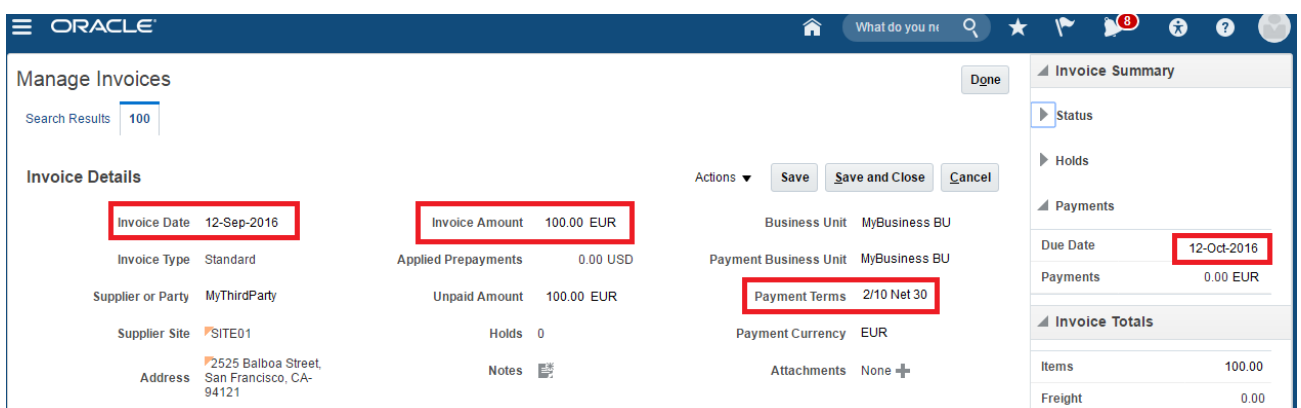
The screenshot shows the 'Review Transaction: Invoice 10000' page in Oracle. The 'General Information' section is expanded, showing details for Business Unit (MyBusiness BU), Transaction Source (ORA_Enterprise Contracts), Transaction Type (Invoice), Transaction Number (10000), and Document Number. The Transaction Date is 12-Sep-2016, and the Accounting Date is also 12-Sep-2016. The Currency is EUR - Euro, and the Transaction Total is 300.00. The Status is Complete. The Customer section shows Bill-to Name (MyThirdParty) and Bill-to Site (Chattanooga (OPS)). The Payment section shows Payment Terms (2/10 Net 30) and Due Date (12-Oct-2016).

General Information	
Business Unit	MyBusiness BU
Transaction Source	ORA_Enterprise Contracts
Transaction Type	Invoice
Transaction Number	10000
Document Number	
Status	Complete
Transaction Date	12-Sep-2016
Accounting Date	12-Sep-2016
Currency	EUR - Euro
Transaction Total	300.00
Lines	300.00
Tax	0.00
Freight	0.00
Charges	0.00

Customer	
Bill-to Name	MyThirdParty
Bill-to Site	Chattanooga (OPS)

Payment	
* Payment Terms	2/10 Net 30
Due Date	12-Oct-2016

4. Payables invoice amount: € 100.00



The screenshot shows the 'Manage Invoices' page in Oracle. The 'Invoice Details' section is expanded, showing details for Invoice Date (12-Sep-2016), Invoice Amount (100.00 EUR), Invoice Type (Standard), Supplier or Party (MyThirdParty), Supplier Site (SITE01), and Address (2525 Balboa Street, San Francisco, CA-94121). The Applied Prepayments are 0.00 USD, and the Unpaid Amount is 100.00 EUR. The Payment Business Unit is MyBusiness BU, and the Payment Terms are 2/10 Net 30. The Payment Currency is EUR. The Invoice Summary section shows the Due Date (12-Oct-2016) and Payments (0.00 EUR). The Invoice Totals section shows Items (100.00) and Freight (0.00).

Invoice Details	
Invoice Date	12-Sep-2016
Invoice Amount	100.00 EUR
Invoice Type	Standard
Supplier or Party	MyThirdParty
Supplier Site	SITE01
Address	2525 Balboa Street, San Francisco, CA-94121
Applied Prepayments	0.00 USD
Unpaid Amount	100.00 EUR
Holds	0
Notes	
Payment Business Unit	MyBusiness BU
Payment Terms	2/10 Net 30
Payment Currency	EUR
Attachments	None

Invoice Summary	
Status	
Holds	
Payments	
Due Date	12-Oct-2016
Payments	0.00 EUR

Invoice Totals	
Items	100.00
Freight	0.00

5. **Settlement Date:** 19 September 2016 (i.e. less than 10 days from the invoice dates, so the **2% discount** applies)

6. Results:

Receivables netted receipt amount **€ 294.00** ($300 - 2\% \text{ of } 300 = 294$)

Payables netted payment amount **€ 98.00** ($100 - 2\% \text{ of } 100 = 98$)

The results can be viewed in the Netting reports and spreadsheet download.

Receivables Transaction					Payables Invoice			
Transaction Date	Transaction Amount	Transaction Currency	Netted Amount	Settlement Currency	Invoice Amount	Invoice Currency	Netted Amount	Settlement Currency
9/19/2016 0:00	300.00	EUR	294.00	EUR	100.00	EUR	98.00	EUR

7. Open Amounts:

In some cases, the netting settlement may result in the full invoice being settled, even if there is a discount that should be applied. In such cases, the discount will be applied and netted in the next settlement run for the trading partner.

Review Installments

Actions ▾ View ▾ + X						
	Days Late	* Due Date		Due Days	* Original Amount	Balance Due
▶	-25	12/1/18	📅	25	300.00	-6.00
	Total				300.00	-6.00

The example above shows a receivables transaction that has a balance due of -6.00 after the netting process. This represents the discount on the transaction.

APPENDIX – NETTING GROUP SETUP EXAMPLE

Consider the following example setup :

Netting Groups – see ‘**Netting Group Setup**’ section in ‘Feature Specific Setup’. The following netting groups are setup.

Group #	Netting Group
1	Netting Distributor Group
2	Netting Farming Group
3	Netting Petroleum Group
4	Netting Reseller Group
5	Netting Retail Banking Group

Netting Agreements – see ‘**Business Rules and Preferences**’ section in ‘Netting Agreement Setup’. The following 7 netting agreements are created. Six agreements are setup with a netting group assignment.

Agreement #	Agreement Name	Netting Group Assigned to Agreement
1	Derry Farms	Netting Farming Group
2	Valley Farms	
3	Chiltern Farms	Netting Farming Group
4	Four star Petrol plc	Netting Petroleum Group
5	Dynamic Diesel plc	Netting Petroleum Group
6	Easy Money Ltd	Netting Retail Banking Group
7	Value Loans Ltd	Netting Retail Banking Group

Netting Settlement Submission Options – see ‘**Creating a Settlement**’ section in ‘Managing Netting Settlements’. The following 5 settlements are submitted. Different submission options are as follows.

Settlement #	Agreement Name	Netting Agreement	Netting Group	Agreement #'s to Process for Netting	# of Settlements Created ¹
1	All Agreements		Netting Farming Group	1, 3	2
2	Specific Agreement	Dynamic Diesel plc		5 only	1
3	All Agreements		Netting Retail Banking Group	6,7	2
4	Specific Agreement	Valley Farms		2 only	1
5	All Agreements			1,2,3,4,5,6,7	7

¹: The ‘Settlement’ is submitted with a single settlement name e.g. ‘My Settlement for MyBusiness Plc’. If option 5 above is used to select all settlements, then 7 different settlement numbers will be generated and each will have to be settled individually.

Control which agreements you want to create settlements for, by selecting the options for :

- **Agreement Name** (‘All Agreements’ vs ‘Specific Agreement’)
 - If ‘**All Agreements**’ is selected, optionally filter which agreements to settle based on the ‘**Netting Group**’. If no netting group is specified, then all active agreements are selected for the netting process.
 - If ‘**Specific Agreement**’ is selected, a single agreement will be used for netting.

APPENDIX – SUPPLIER AND CUSTOMER MERGE PROCESS

When performing a ‘Customer’ or a ‘Supplier’ merge, the **Netting Agreement** is automatically updated to reflect the newly merged suppliers (or customers).

Therefore, there is no need to update an agreement should a merge take place. However, we recommend that you assess if a supplier or customer merge is required **prior to creating an agreement**. This will allow you to setup the agreement more quickly, since there will be fewer trading partners to link.

Supplier Merge

Suppliers may be merged for any of the following reasons:

- A duplicate supplier was created.
- The supplier was acquired by another company.

Supplier Sites may be merged for any of the following reasons:

- A duplicate supplier site was inadvertently created.
- The supplier moved to a new location.
- A division of a supplier was sold and the appropriate site must be associated to the new supplier that acquired it.

For details on the ‘Supplier Merge’ process, see : [Merging Supplier Sites: Points to Consider](#)

Customer Merge

If you have Oracle Data Quality installed, the ‘Oracle Trading Community Model’ manages the merging of duplicate and redundant customer records.

You can manually merge two customer records from the **Manage Customers** page.

- Search for the customer or customers that you want.
- Select a customer
- Select the **Merge Record** command from the Actions menu to display the Merge dialog window.
- Select the master and duplicate records, and complete the merge request.

For further details on the ‘Customer Merge’ process, see : [Merging Customers: Explained](#)

APPENDIX – USING AR WEBSERVICE TO EXCLUDE RECEIVABLES TRANSACTIONS

In release 19A, you can exclude receivables transactions from netting, by using the Exclude From Netting checkbox in the Manage Transactions page.

The column that stores the **Exclude From Netting** value is the **GLOBAL_ATTRIBUTE30** column on the **RA_CUSTOMER_TRX** table. This is defined as a Global segment on the global descriptive flexfield (JE_RA_CUSTOMER_TRX). The **GLOBAL_ATTRIBUTE30** column is reserved specifically for netting functionality and can contain values as follows

- Null : For existing receivables transactions, GLOBAL_ATTRIBUTE30 will be null.
- N : For newly created transactions in 19A, the GLOBAL_ATTRIBUTE30 value will default to 'N'. This implies that the receivables transaction is eligible for netting.
- Y : For newly created transactions in 19A, the GLOBAL_ATTRIBUTE30 value can be updated to 'Y'. This implies that the receivables transaction will not be considered for netting.

Please refer to the following document on Cloud Customer Connect for details on the AR web service :

<https://cloudcustomerconnect.oracle.com/posts/a2489bd8fc>

Example Payload to update GLOBAL_ATTRIBUTE30 for Netting

In this example, the transaction 'Net AR Sal_addA93' will update the 'GLOBAL_ATTRIBUTE30' to 'Y', indicating that the transaction will have the 'Exclude From Netting' option set to 'Y'. i.e. the transaction will be excluded from the netting selection process.

```
<soap:Envelope xmlns:soap="http://schemas.xmlsoap.org/soap/envelope/">
```

```
  <soap:Body>
```

```
    <ns1:updateDffEntityDetails
```

```
    xmlns:ns1="http://xmlns.oracle.com/apps/financials/commonModules/shared/model/erpIntegrationService/types/">
```

```
      <ns1:operationMode>single</ns1:operationMode>
```

```
      <ns1:object
```

```
      xmlns:ns2="http://xmlns.oracle.com/apps/financials/commonModules/shared/model/erpIntegrationService/">
```

```
        <ns2:EntityName>Receivables Invoice</ns2:EntityName>
```

```
        <ns2:ContextValue>#NULL</ns2:ContextValue>
```

```
        <ns2:UserKeyA>Net AR Sal_addA93</ns2:UserKeyA>
```

```
        <ns2:UserKeyB>#NULL</ns2:UserKeyB>
```

```
        <ns2:UserKeyC>#NULL</ns2:UserKeyC>
```

```
        <ns2:UserKeyD>710734</ns2:UserKeyD>
```

<ns2:UserKeyE>#NULL</ns2:UserKeyE>

<ns2:DFFAttributes>{"**GLOBAL_ATTRIBUTE30**":"Y"}</ns2:DFFAttributes>

</ns1:object>

</ns1:updateDffEntityDetails>

</[soap:Body](#)>

</[soap:Envelope](#)>

REVISION HISTORY

Version	Document Update	Notes
19B	February 2019	Addition of functionality for Managing Settlements in a spreadsheet
19A	December 2018	Additions for : <ul style="list-style-type: none">• Importing Netting Agreements• Generate Netting Settlements job• Excluding Receivables Transactions from selection
17.11	Initial Release	First version



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