

Definition:

USER: a person operating the xAI system by login. Identified by userID.

BIZENTITY: an entity who is the owner of the book. Identified by businessID.

Relationship between USER and BIZENTITY is n-n.

CUSTOMER: individual

CLIENT: : entity

AP / AR – Setting AP/AR settings will be linked to BIZENTITY

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To design an AP (Accounts Payable) and AR (Accounts Receivable) module, the settings need to provide flexibility and customization for various user requirements. Here's a breakdown of the key settings you'll need to include for each module:

1. General Settings (for both AP and AR) Linked with BIZENTITY

- **Currency Settings:** Allow the user to set the default currency and manage multi-currency transactions. Just set base currency. Other currency will be stored in fx table with instant rate.
- **Fiscal Year/Period:** Define fiscal year start and end dates, along with the option to lock periods for editing once they are closed.
- **Tax Settings:** Set tax rates and tax jurisdictions for managing VAT, GST, or sales tax.
- **Default Terms:** Define default payment terms for both payables (e.g., net 30) and receivables.
- **Integration Settings:** Options to connect with external accounting systems (e.g., QuickBooks, Xero) or payment gateways.

2. AP Module Settings (Accounts Payable)

- **Vendor Management** Mainly linked with BIZENTITY
 - Vendor types and categories.
 - Default payment terms per vendor.
 - Option to set credit limits and alert thresholds.
- **Expense Categories:** Define categories for different types of expenses (e.g., utilities, office supplies). in COA
- **Approval Workflow:** Configure settings for multiple approval levels before payments are processed. pending
- **Payment Methods:** Set up default payment methods (e.g., bank transfer, credit card, check). linked to business??
- **Recurring Payments:** Enable settings for recurring expenses or vendor payments (e.g., rent, subscriptions).
- **Late Payment Fees:** Option to configure late fee rules if applicable. pending

Customer --> Client, 3. AR Module Settings (Accounts Receivable) in BizEntity Setup

- **Customer Management** Our customer is small business, self-employee corporation, and accounting firm. Customer in the context of AR actually means Client.
 - Customer types and categories.
 - Default credit limits per customer.
 - Aging report settings to track overdue invoices. Pending for reporting module

- **Income Categories:** Define income categories for tracking different revenue streams.
same with COA sub-account
- **Invoice Templates:** Customize invoice templates with company logo, payment terms, and currency options.
- **Recurring Invoices:** Enable settings for automated invoicing on a scheduled basis for repeat customers. pending
- **Payment Methods:** Set up payment methods for customers (e.g., credit card, PayPal, bank transfer).
- **Credit Terms:** Configure settings for offering credit, including default credit terms and interest on overdue payments.

4. Notifications & Alerts pending for Reporting

We do the system in 2 steps:

1st step: transfer all the data into DB.

2nd step: manipulate the data

in DB, including: reporting, notification, reminding, and so on.

The first step is back-end

work (which we are doing)

The second step, need front end and back end working together since they are heavily relied on representation logic.

- **Due Date Reminders:** Configure automated email or SMS reminders for upcoming AP or AR payments and invoices.
- **Threshold Alerts:** Set up alerts for approaching credit limits (both vendor credit for AP and customer credit for AR).
- **Past Due Reminders:** Enable follow-up notifications for past due amounts (both for paying vendors and collecting from customers).

5. Reporting & Analytics pending

- **Aging Reports:** Settings to customize the aging reports (e.g., group by 30, 60, 90 days).
- **Vendor & Customer Statements:** Configure settings to automatically generate and send periodic statements.
- **Custom Report Settings:** Allow users to customize their AP/AR reports, like filtering by date range, vendor/customer, or categories.

6. Audit Trail and User Permissions

- **User Roles & Permissions:** Set permissions for different users based on their roles (e.g., admin, finance, or accountant). Ensure segregation of duties for data entry, approval, and payment/reconciliation. @Michael, can Michael provide a document of this part?
- **Audit Trail:** Enable settings to track all changes made within the system, including by whom and when.

7. Integration with Bank Accounts and Payment Gateways pending

- **Bank Reconciliation Settings:** Set up automated reconciliation processes, enabling matching between bank statements and payments/receipts.
- **Payment Gateway Integration:** Allow integration with payment gateways (e.g., Stripe, PayPal) for automated AR processing and auto-reconciliation.

These settings will give flexibility and control to users in managing both AP and AR processes while allowing them to customize the system according to their business needs.