

Knowledge Base



Progress Claims and Retentions

Last updated on November 15th, 2024

Introduction

Progress Claims and Retentions allows your business to invoice in a different way to the standard process of invoicing specific items on a job.

Once the add-on has been activated, the accounts will need to be set up from the GL Account Mapping tab under Organisation Setup:

Retention Accounts ?

Sales

Sales



Retentions Held

retention held



Liability for Defects

Suspense



- **Sales Account** – Default account for invoices using the progress payment/retentions method. This can be changed when creating the invoice.
- **Retentions Held Account** – Balance sheet account of type current asset where the value of retentions held will be managed during the retention period.
- **Liability for Defects Account** – Balance sheet account of type current liability where the value of liability for the retentions held will be managed during the retention period. This will offset the current asset account above.

Setting up Retentions

In order to enable retentions for a job, the job must not have any existing invoices. A tickbox will appear on the General tab to “Track Retentions for this job”. Enabling it allows you to set the contract value, retention amount, and keep any notes about the contract safe at hand.

General Information

Reference Number

J00003

Customer PO/Ref No.

Job Title

44 Tawning St. Job 4

Charge Type

Fixed Price (Quote Job) ▼

Sales Person

Jimmy Oliver x ▼

☐ Approve for Purchasing☒ Track Retentions for this Job

Tracking

Region

Eastside x ▼

Tags

Long term x ▼

Contract Details ⓘ

Contract Value (Ex GST)

160,000.00

Retention Amount (%)

20

Notes

Issue Quote

Save













Complete

Exit

- **Contract Value:** This is a manually entered field. Set this number to the approved value of the job and it will be used when generating progress invoices with retentions.
 - Note that this is not yet linked to approved quotes or the BOM value.
- **Retention %:** Set this to the % of each invoice that will be retained. When generating a progress invoice, the system will handle the retentions automatically based off this number.
- **Notes:** Store notes in this section relevant to progress invoices and retentions on this job.

Retention and Progress Invoices

When retentions are tracked for a job, the available style of invoices will change:

| Xero Invoice No. | Invoice Ref. | Type | Status | Currency | Total | Paid | Amount Due | Due Date ▾ | Sent |
|--|------------------|-------------------|----------|----------|-----------|-----------|------------|-------------|---|
|   INV-1107 | 4 - Job: J018342 | Retention Invoice | Invoiced | AUD | 2,750.00 | 0.00 | 2,750.00 | 16 Nov 2024 |  |
|   INV-1106 | 3 - Job: J018342 | Progress Invoice | Invoiced | AUD | 8,800.00 | 8,000.00 | 8,800.00 | 16 Nov 2024 |  |
|   INV-1105 | 2 - Job: J018342 | Progress Invoice | Paid | AUD | 13,200.00 | 13,200.00 | 13,200.00 | 16 Nov 2024 |  |
|   INV-1091 | 1 - Job: J01834 | Progress Invoice | Paid | AUD | 22,000.00 | 22,000.00 | 22,000.00 | 16 Nov 2024 |  |

Total Amount Due (AUD): 3,550.00

There are two different types of invoices for jobs that use retentions.

- Progress Invoices are the main type of invoice – this invoices a percentage of the total job and holds the retention amount of the total amount invoiced separately.

Progress Invoice

(All numbers shown are exclusive of tax)

Contract Value

100,000.00

Retention

% 20

Already Claimed

% 40.00

Invoiced Amount

32,000.00

Retentions Held

8,000.00

This Claim ?

% 10

Invoice Amount

8,000.00

Retention Amount

2,000.00

Create Invoice

Cancel

- Retentions Invoices are for covering the costs of rectifying any issues that come up. The retentions held amount will be used to pay for them.

Retention Invoice

(All numbers shown are exclusive of tax)

Retentions Held

7,500.00

Invoice Now

%

100

Invoice Amount

7,500.00

Create Invoice

Cancel

When invoicing, both progress and retentions invoices will have automatically generated values that cannot be modified.

Create New Invoice

Total Job Quote (): -

Already Invoiced (AUD): 20,000.00

(Tax Exclusive)

Customer

World of Water

AUD

Due Date

11/16/2024

Reference

Job: J018342

Branding Theme

Standard

Currency cannot be changed. This field is set to the same currency already used on other invoices for this job.

| Name | Unit Price | Income Account | Amount |
|--------------------------------------|------------|----------------|-------------|
| Progress Claim 2 for Job: J018342 | 12000.0 | Sales | 12,000.00 |
| Retention Payment 2 for Job: J018342 | 3000.00 | Suspense | 3,000.00 |
| Retention Payment 2 for Job: J018342 | -3000.0 | retention h... | (-3,000.00) |

Approve

Save as Draft

Cancel

| Name | Unit Price | Income Account | Amount |
|--|------------|----------------|-------------|
| Retention Payment for Job: J018342, 25% of \$10,000.00 retained balance for this project at the time of invoicing. | 2500.00 | Sales | 2,500.00 |
| Liability for Defects Reversal 1 for Job: J018342 | -2500.0 | Suspense | (-2,500.00) |
| Retentions Held Reversal 1 for Job: J018342 | 2500.00 | retention h... | 2,500.00 |

Approve

Save as Draft

Cancel