

TXIS - MII ERP<sup>+</sup> Practice Solution Document

# WHITE PAPER USER MANUAL FOR – PARTIAL PAYMENT

## Module – Account Payables

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**Partial payment** refers to the process of paying a portion of the total amount due on an invoice or debt, rather than settling the full amount at once. It's a common practice in various financial transactions and agreements. Here's an explanation using the 5Ws:

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### What:

A partial payment is a payment made that is less than the total amount owed. This can be done in various contexts, such as paying a bill, settling an invoice, or fulfilling a debt. The remaining balance is usually due at a later date or in subsequent installments.

### Who:

- **Payer:** The individual or entity making the payment, who is responsible for paying the total amount due.
- **Payee:** The recipient of the payment, such as a vendor, creditor, or service provider, who receives the partial payment but is still owed the remaining balance.
- **Accounting/Finance Teams:** Manage and track partial payments, update records, and handle follow-up for the remaining balance.

### When:

Partial payments occur when the payer is unable or chooses not to pay the full amount owed immediately. This might happen due to cash flow issues, budget constraints, or agreed-upon payment terms.

### Where:

Partial payments can be made in various settings:

- **Retail and Service Transactions:** Customers might make a partial payment for goods or services.
- **Invoices:** Businesses may receive partial payments against invoices for products or services delivered.
- **Loans and Debts:** Individuals or companies might make partial payments on loans or credit balances.
- **Contracts:** Agreements might stipulate partial payments based on milestones or deliverables.

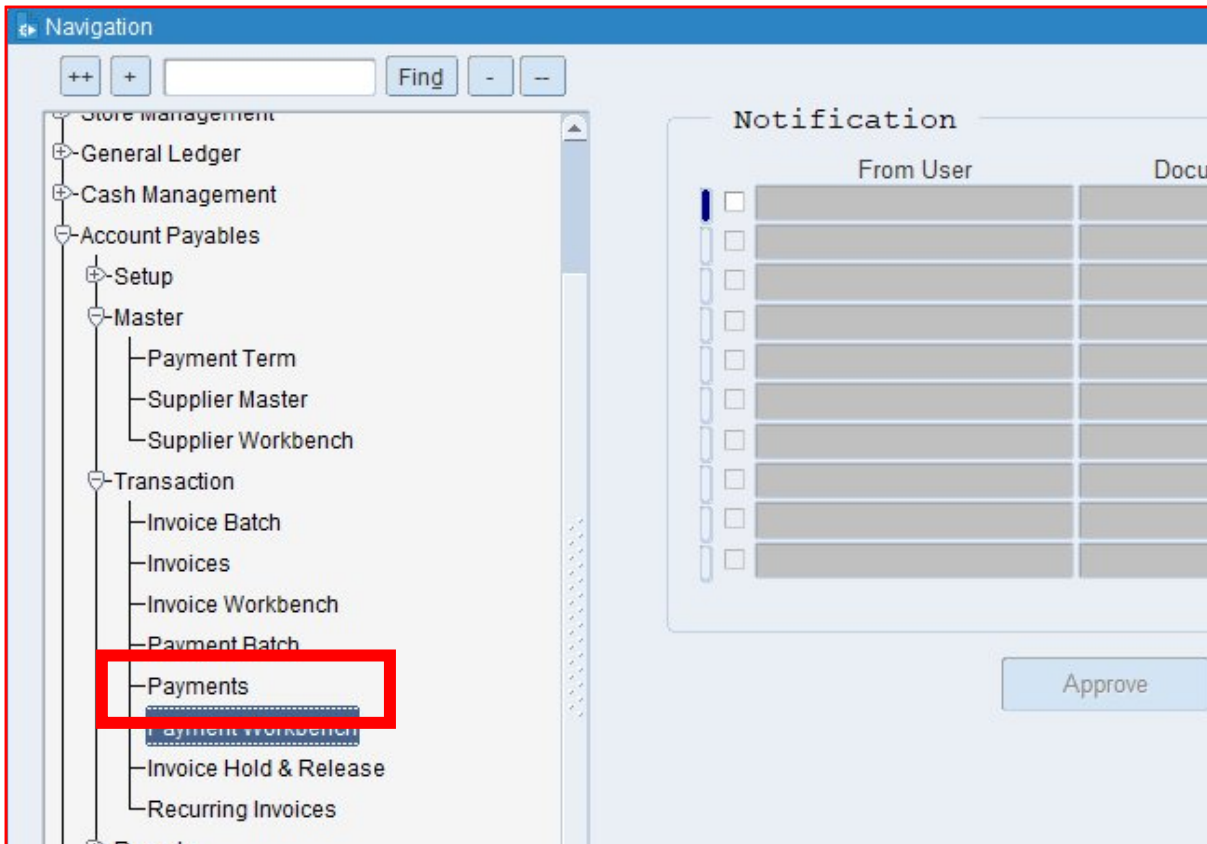
### Why:

Partial payments are used for several reasons:

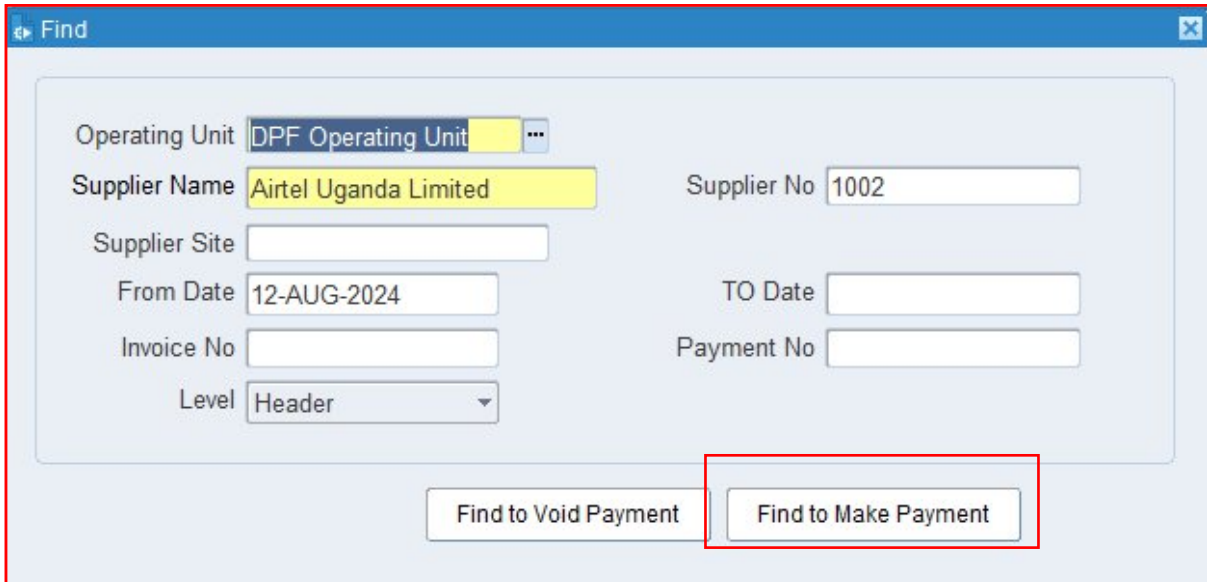
- **Cash Flow Management:** Allows the payer to manage their finances better by spreading out payments over time.
- **Negotiation Terms:** Sometimes, partial payments are part of negotiated terms between the payer and payee.
- **Flexibility:** Provides flexibility for both parties, accommodating situations where full payment cannot be made upfront.
- **Risk Mitigation:** Reduces the risk for the payer of overextending their financial resources.

Navigation – Accounts Payables > Payment

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The screenshot shows the 'Navigation' pane on the left with a tree view. The 'Payments' option is highlighted with a red box. The right pane shows a 'Notification' table with columns 'From User' and 'Docu'. There are several rows in the table, each with a checkbox in the 'From User' column. An 'Approve' button is visible at the bottom right of the notification pane.



The screenshot shows the 'Find' dialog box with the following fields and values:

- Operating Unit: DPF Operating Unit
- Supplier Name: Airtel Uganda Limited
- Supplier No: 1002
- Supplier Site: (empty)
- From Date: 12-AUG-2024
- TO Date: (empty)
- Invoice No: (empty)
- Payment No: (empty)
- Level: Header

At the bottom, there are two buttons: 'Find to Void Payment' and 'Find to Make Payment'. The 'Find to Make Payment' button is highlighted with a red box.

Put the Supplier Details & Date  
Click on Find to make Payment.

### What is an Operating Unit?

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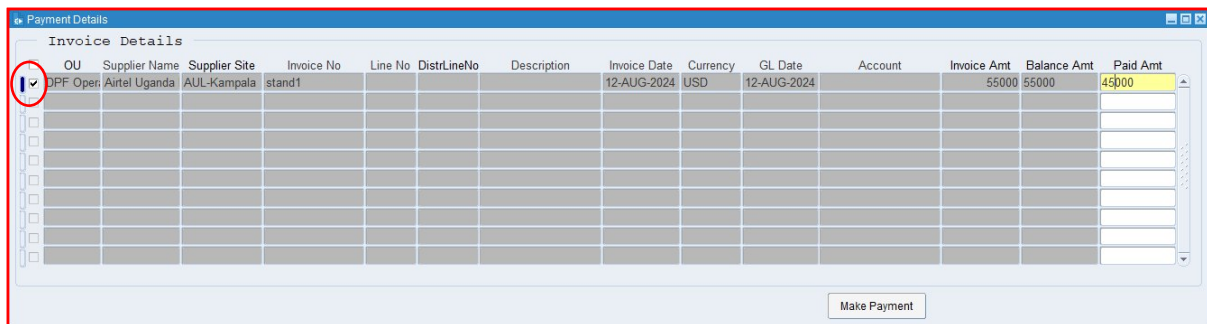
An operating unit is a segment or division of an organization that performs a specific set of functions or activities. It typically has its own management structure, resources, and objectives but operates under the broader umbrella of the parent organization.

### What is Supplier's name?

It identifies the party that has supplied the goods or services, ensuring that there is clarity on who the invoice is coming from. This helps in maintaining accurate records and resolving any discrepancies related to the supplier.

### What is a supplier site?

The supplier site provides detailed information about where a supplier operates, ships from, or where services are delivered. This helps in managing logistics, shipping, and procurement processes efficiently.



OU	Supplier Name	Supplier Site	Invoice No	Line No	DistrLineNo	Description	Invoice Date	Currency	GL Date	Account	Invoice Amt	Balance Amt	Paid Amt
JPF Operi	Airtel Uganda	AUL-Kampala	stand1				12-AUG-2024	USD	12-AUG-2024		55000	55000	45000

Here Balance amount is 55000 now we do the partial payment of 45000.

### What is Voucher Number?

A voucher number is a unique, sequential number assigned to each voucher for identification and tracking purposes. Vouchers can include documents like payment vouchers, receipt vouchers, or journal vouchers, which record financial transactions and serve as evidence of these transactions.

### What is Payment Document?

A payment document is a record that provides details about a payment transaction, serving as evidence that a payment has been made or is scheduled. It is used for financial and accounting purposes to ensure accuracy, accountability, and proper documentation of transactions.

