Cash Settlement (W5)

[This version is superseded. Click here to view the latest guide.]

PURPOSE

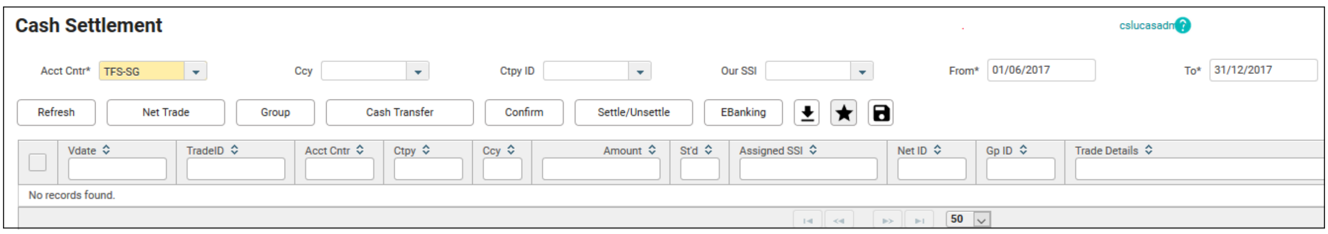
This document is a detailed procedure for how to view and amend cash settlement details.

WHY IS THIS IMPORTANT?

Transactions that are booked in the CS Lucas system would give rise to cash flows for settlement. The settlement instructions need to be correctly assigned to these cash flows after a trade is done so that the confirmation letter to the bank contains the right settlement instructions guiding the settlement arrangement for the trade. Assigning the correct settlement details also ensure that the accounting entries on cash are journaled into the correct bank accounts.

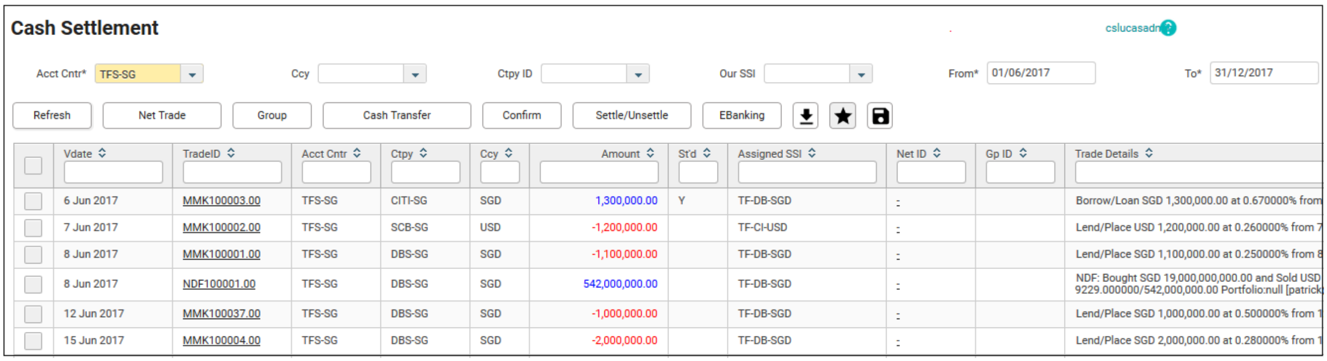
PROCEDURE

1. From the main menu, select Back Office > Settlement > Cash Settlement. The screen below is displayed.

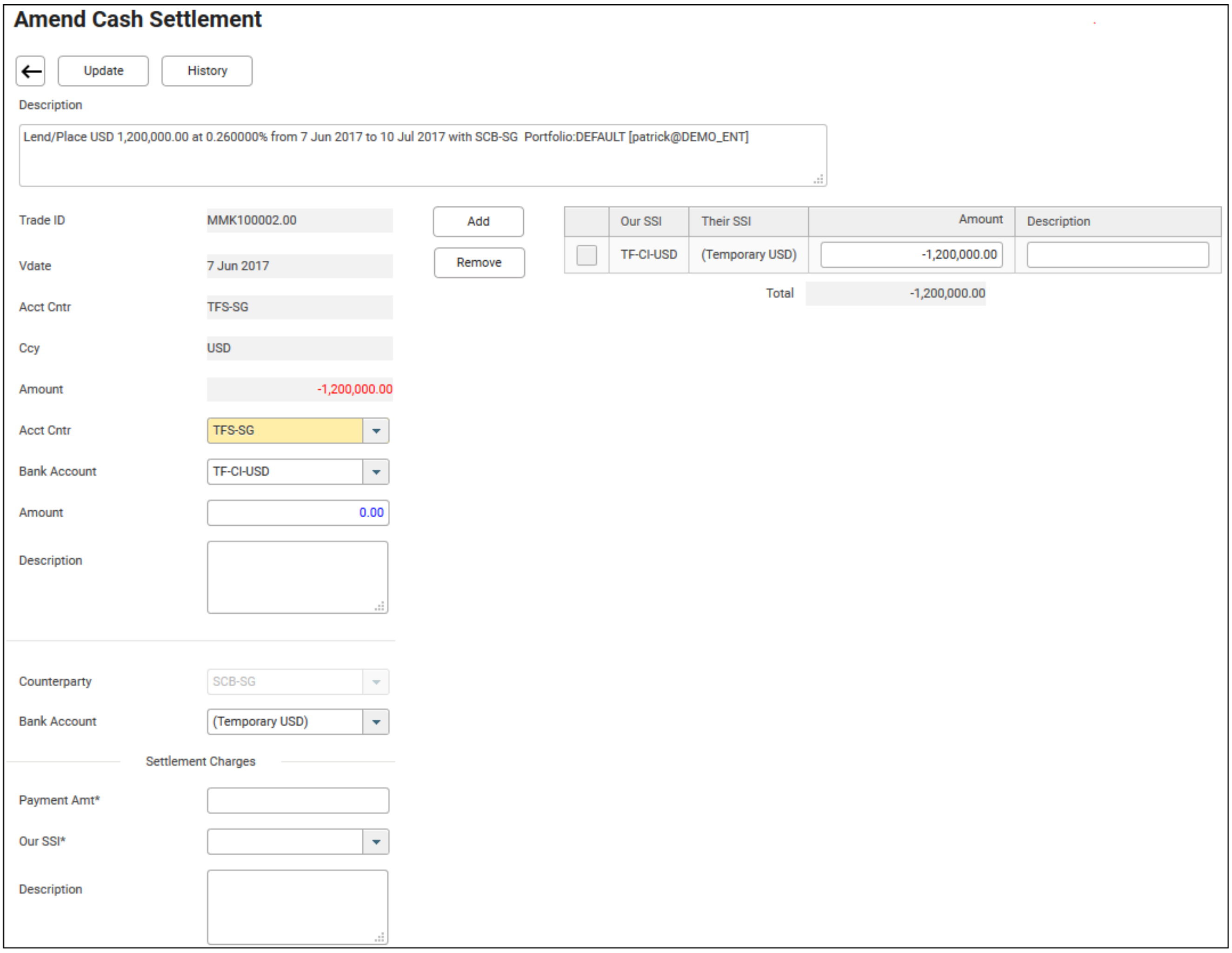


2. To view a list of settlement cash items, choose the Accounting Centre and fill out the From and To fields. Click Refresh. All the settlement cash inflows and

outflows for the selected period will be shown on the screen. You may also filter the cash settlement items by currency, counterparty ID and Our SSI as required.



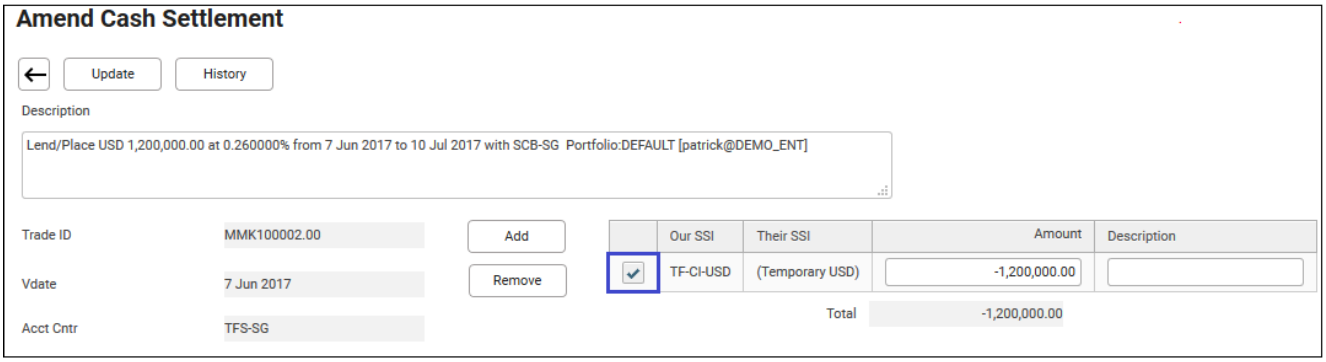
3. To amend the settlement SSI, click on the TradeID of the settlement item. In this example, TradeID selected is MMK100002.00.



4. In this example, we will change the Our SSI from TF-CI-USD to TF-DB-USD-OPS. This means the amount 1.2 million will be debited from TF-DB-USD-OPS instead of the previous SSI.

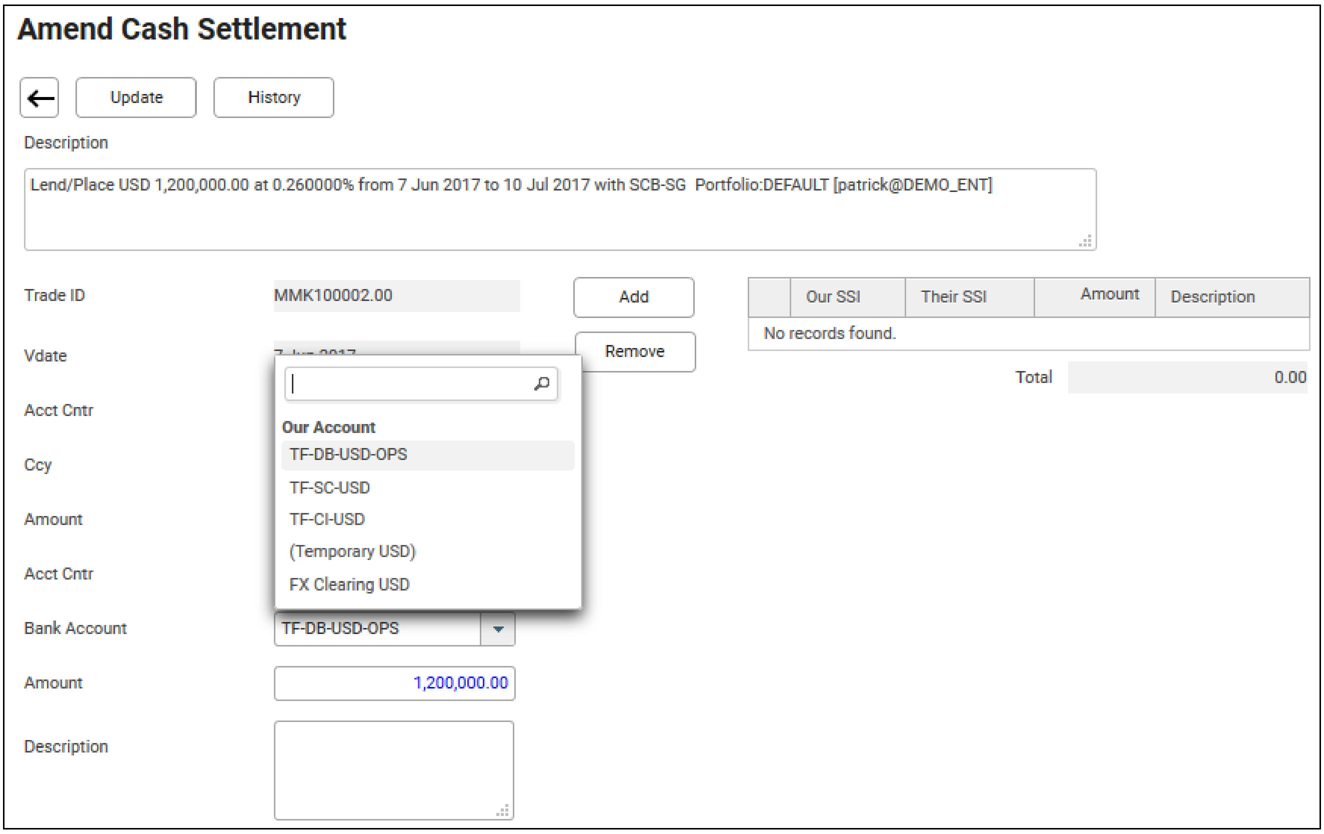
Note: If you do not see the desired SSI from the Bank Account drop down list, see how to create new SSI in [Accounting Centre SSI Set Up](#).

5. Click on the check box of the existing assigned SSI, e.g. TF-CI-USD.



6. Click Remove.

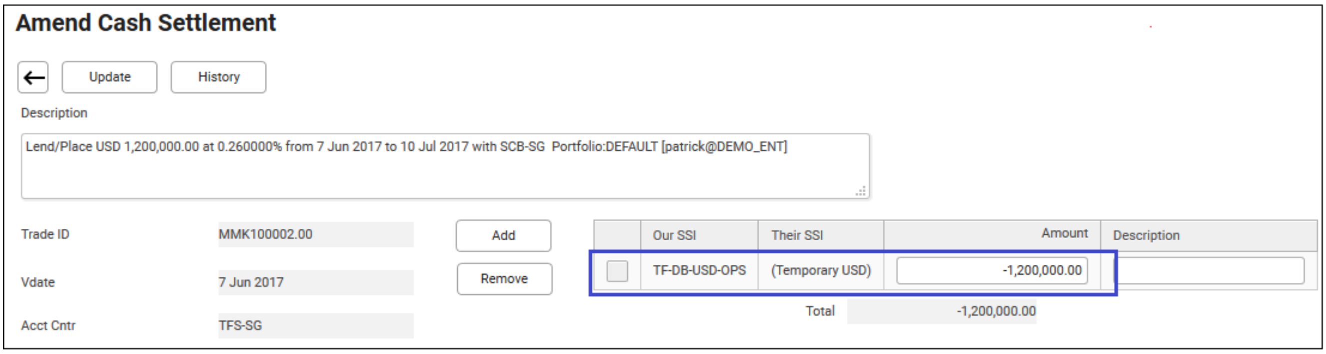
7. Choose the SSI from the Bank Account drop down field under Accounting Centre field.



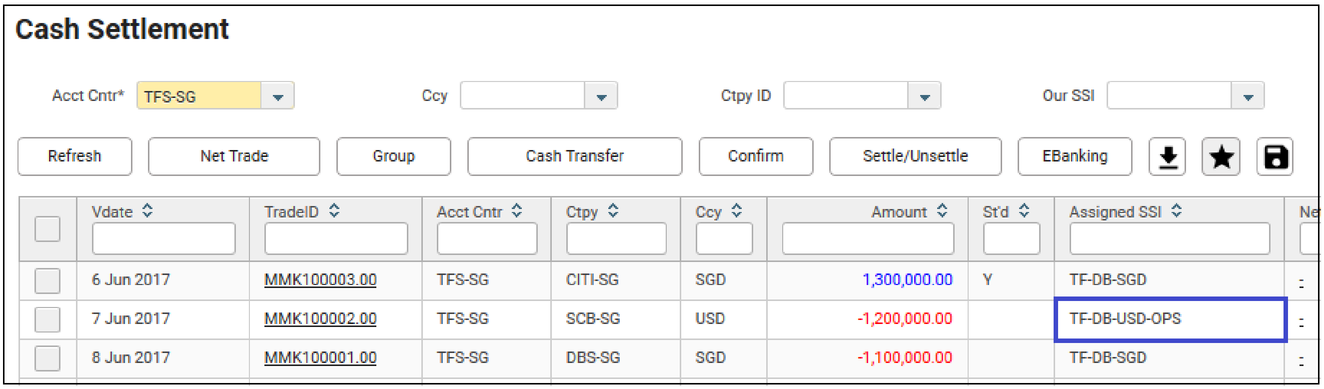
8. Input the transaction amount.

9. Select the SSI of the counterparty to pay to.

10. Click Add. Our SSI will be updated to TF-DB-USD-OPS.

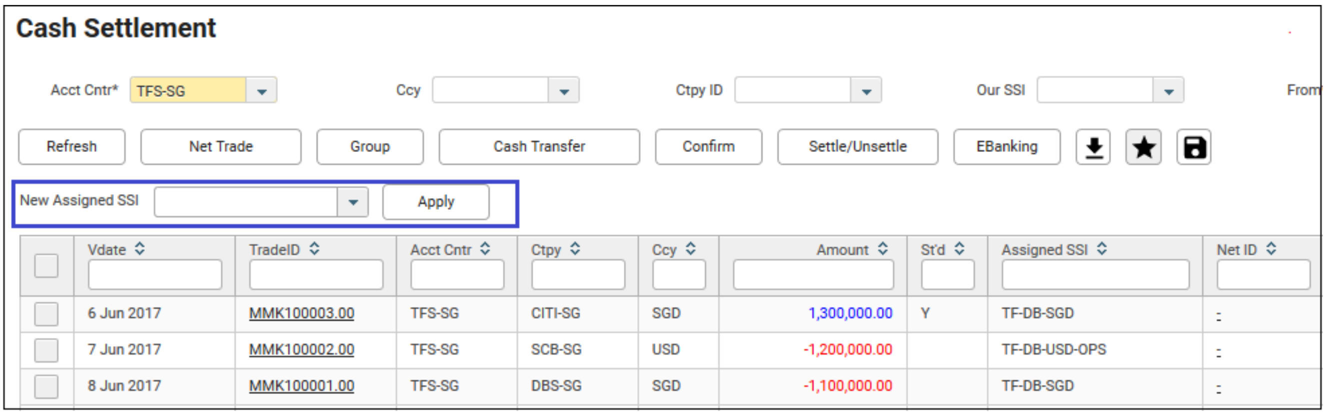


11. Click Update. The Assigned SSI column is updated in the Cash Settlement screen.



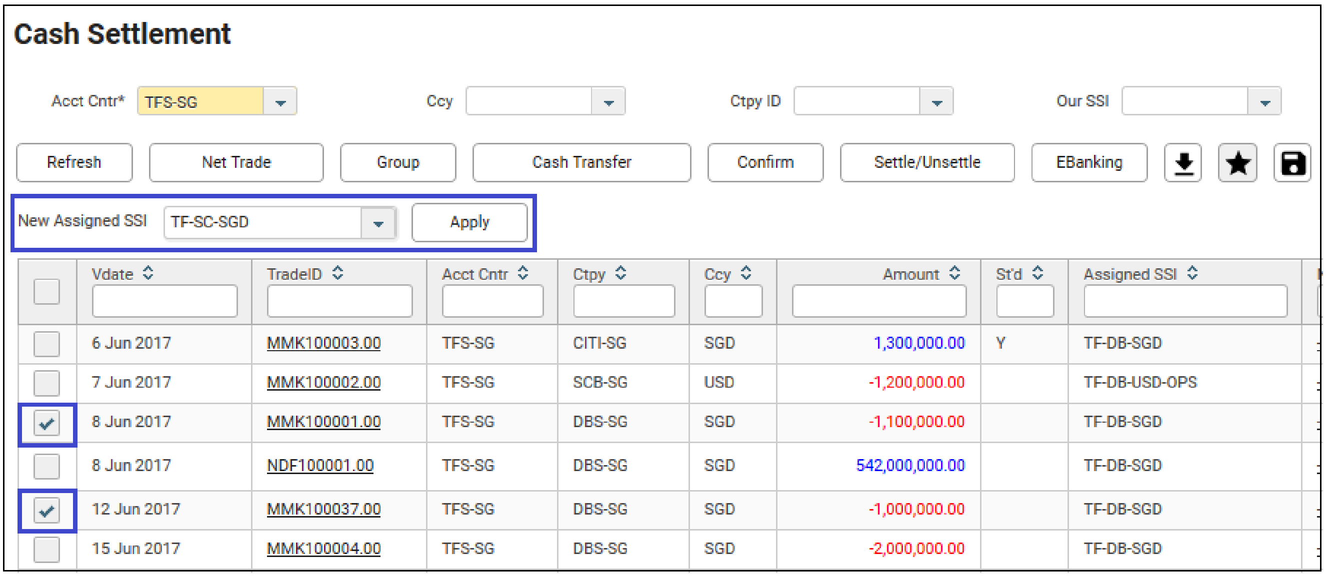
12. To assign SSI for multiple cash settlement items, select “Apply New SSI”.

13. You will see a panel open up that allows you to select an SSI from a list of SSIs of the selected accounting centre.

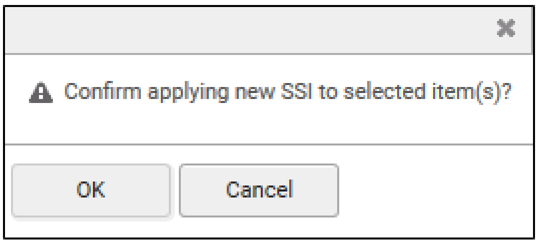


14. Select the SSI from the New Assigned SSI drop down and select the cash settlement items to apply.

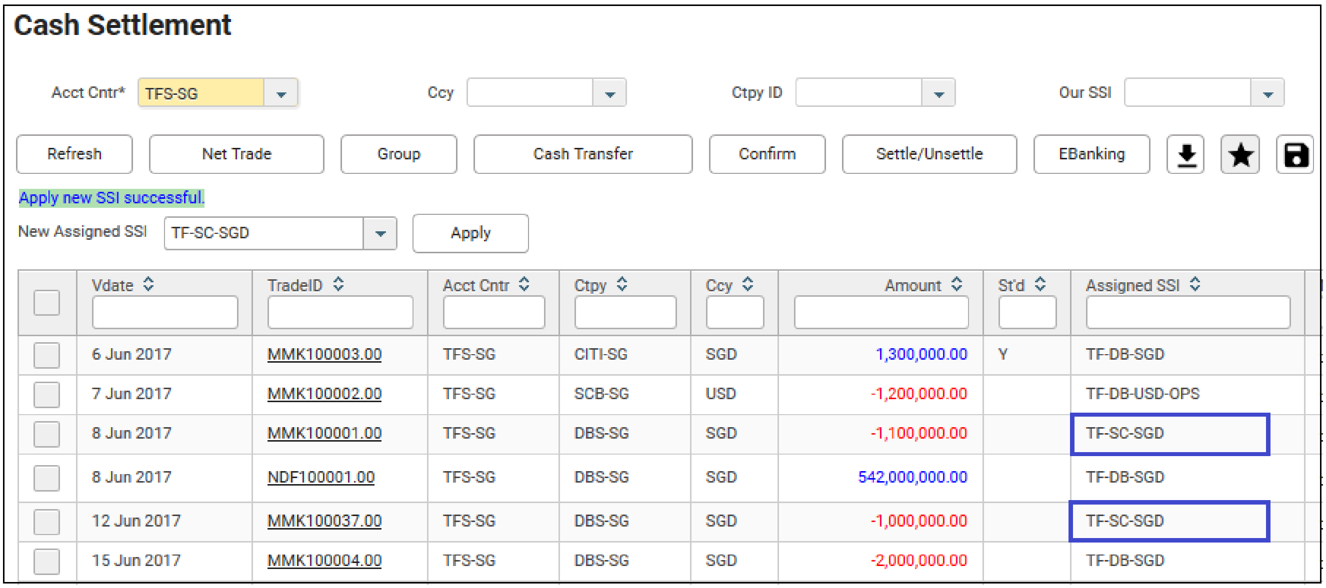
Note: Cash settlement items selected must be of the same currency as the selected SSI.



15. Click Apply. A popup appears. Click OK to confirm.



16. You will see new SSI applied successful message and the Assigned SSI is updated for the selected cash settlement items.



FREQUENTLY ASKED QUESTIONS

FAQ01. Are there any restrictions in amending cash settlements?

Yes, there are. If the settlements are grouped, they need to be ungrouped first before you can amend the settlements. Also, if the transaction is marked as settled, it needs to be unsettled first.

FAQ02. How do I prevent amending cash settlement details?

To prevent amending cash settlement details, you can mark the trade as settled in the system. Click on the tick box of the Trade ID to settle and click on the Settle/Unsettle button.

FAQ03. How do we instruct our bank counterparty to make payment on a trade directly to a third party bank account?

To instruct your bank counterparty to make payment to a third party bank account, refer
Settlement to Third Party Account.

FAQ04. How does the system handle the accounting journals when settlement of trade involves payment to another accounting centre directly from the counterparty?

For more details on how system handle the accounting journals for settlement to intercompany, see Settlement to Intercompany.

FAQ05. How to amend the settlement instructions when journals of the trade have already posted to the accounting system?

Amending the settlement instructions after the journal of the trade have already posted to the accounting system would not generate reversal journals in CS Lucas system. Please follow the following steps to get the journal back to ready state.

1) In the CS Lucas system, unpost the journal.

2) In the accounting system, delete or raise a reversal for the journal for the trade that has been posted.

3) Amend the settlement instructions as required.

4) Recreate the journal for the trade.

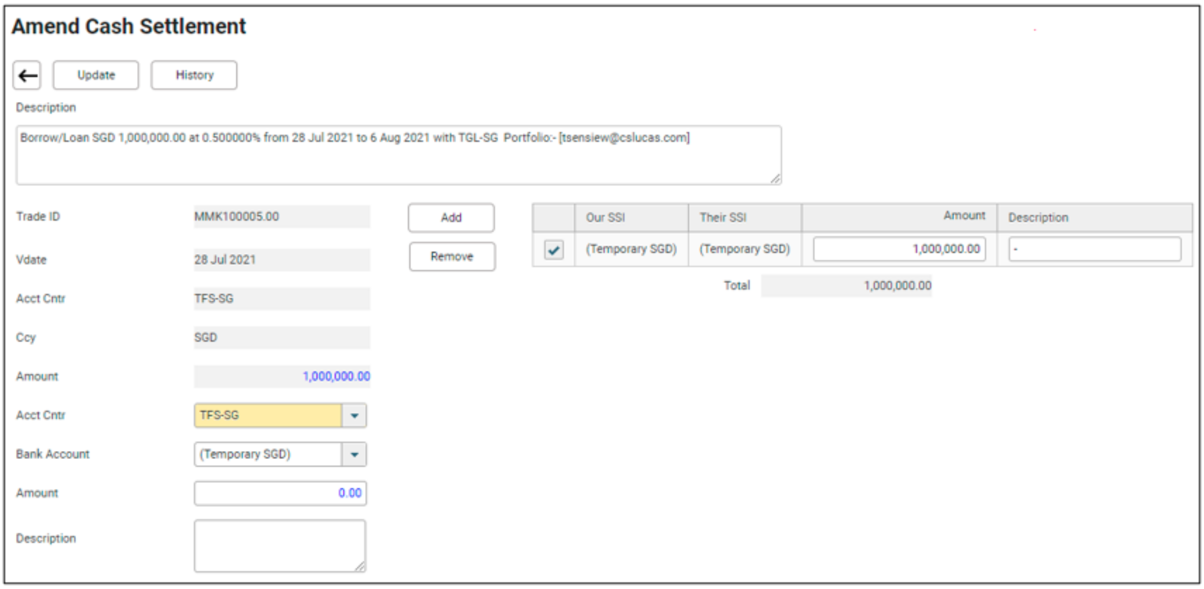
Alternatively, you can do an update/ amendment to the trade on Transaction module so that system will create the reversal journals. Then, amend the settlement instructions for the amended transaction as required. Please note that amendment/ update to the trade requires re-authorisation and re-verification.

FAQ06. How to amend the settlement instructions for a split amount?

Please see below instructions on how to amend the settlement instructions for a split amount.

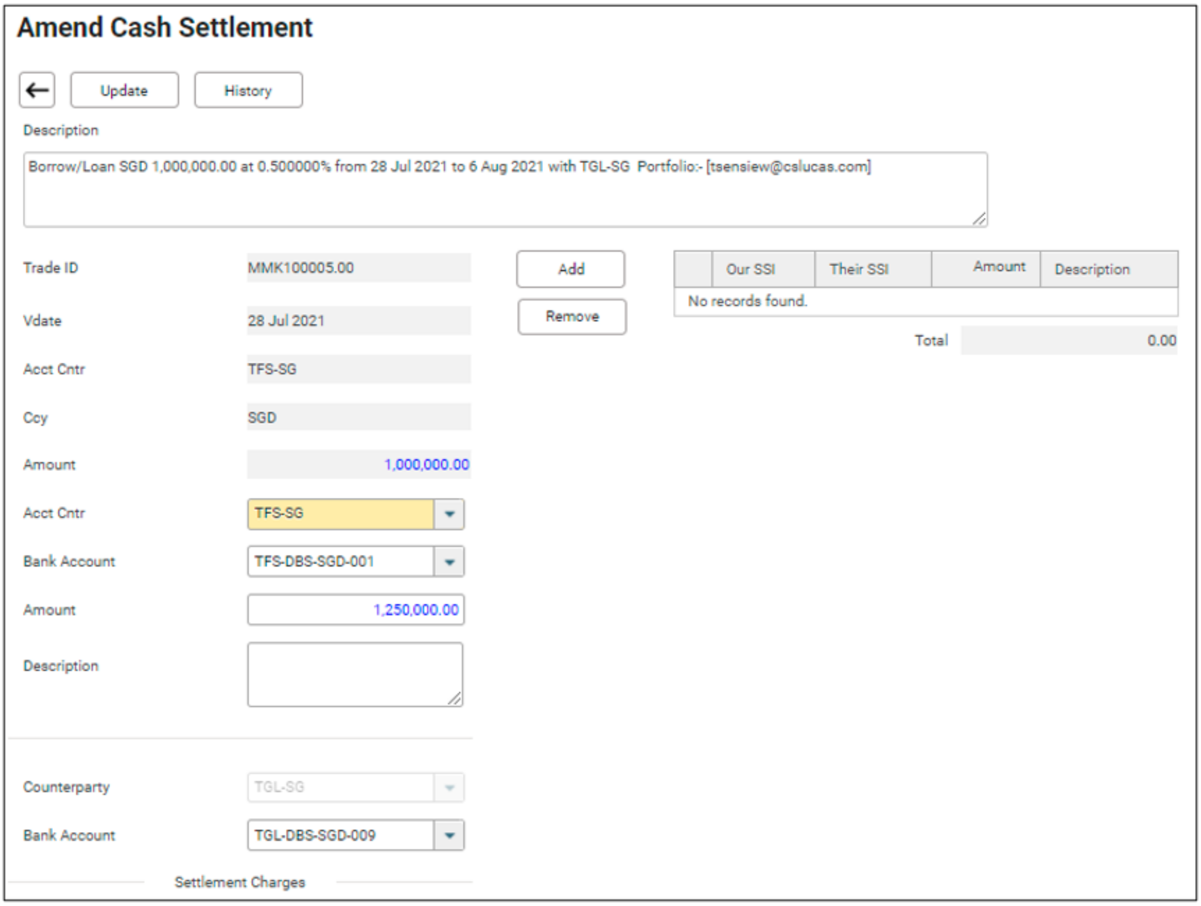
The example below shows how to split settlement amount of S$1,000,000 to two settlements, i.e. S$1,250,000 and -S$250,000 in Cash Settlement.

1. Tick on the checkbox to remove the default settlement SSI assignment on the right.

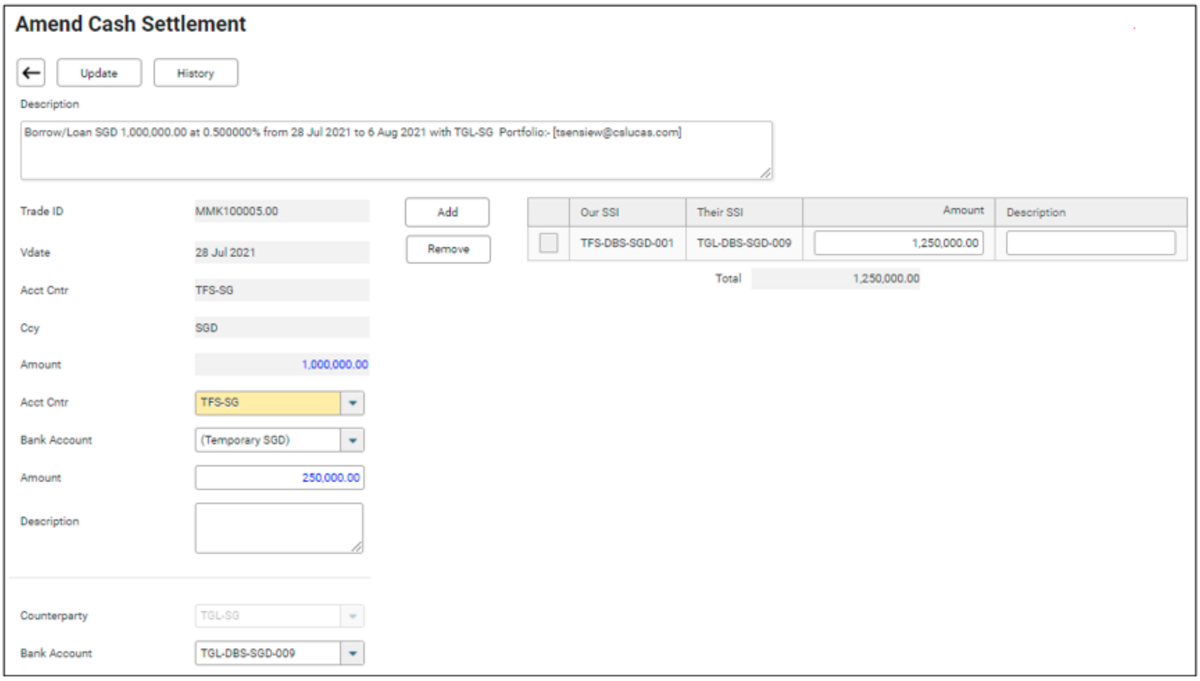


2. Click Remove.

3. Then, add the split amount of 1,250,000 by entering it in the Amount field and select the desired debiting/crediting account.

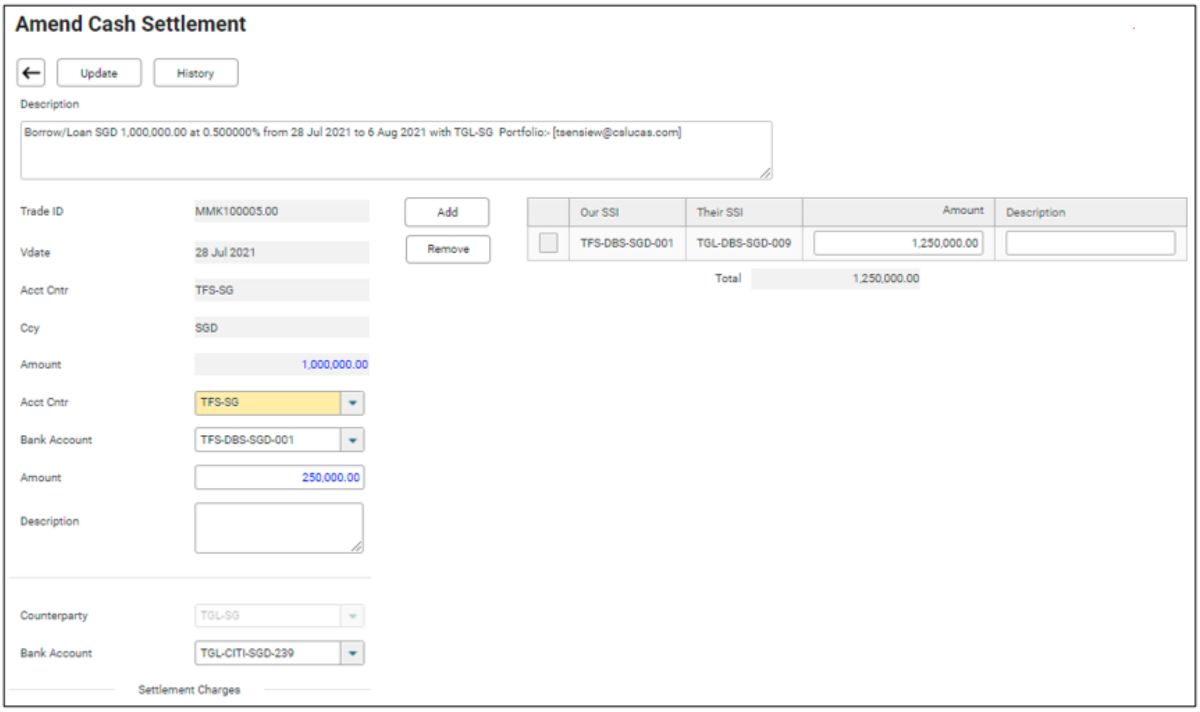


4. Click Add.

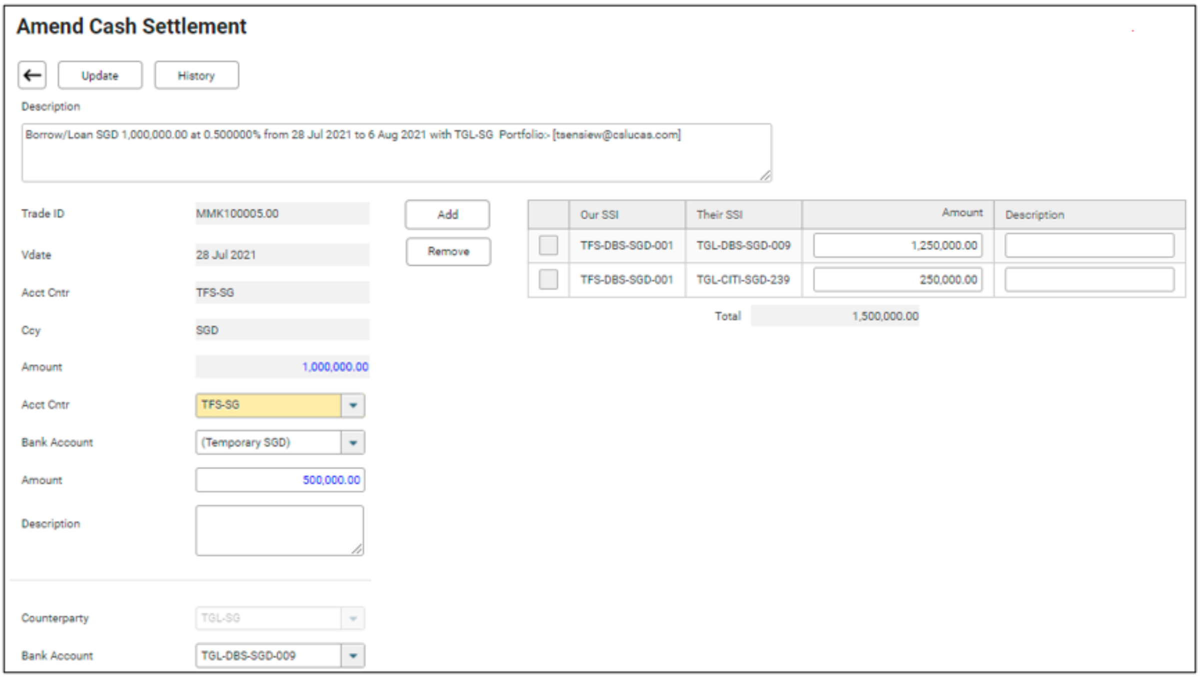


5. The split amount and assigned SSI will be updated in the table.

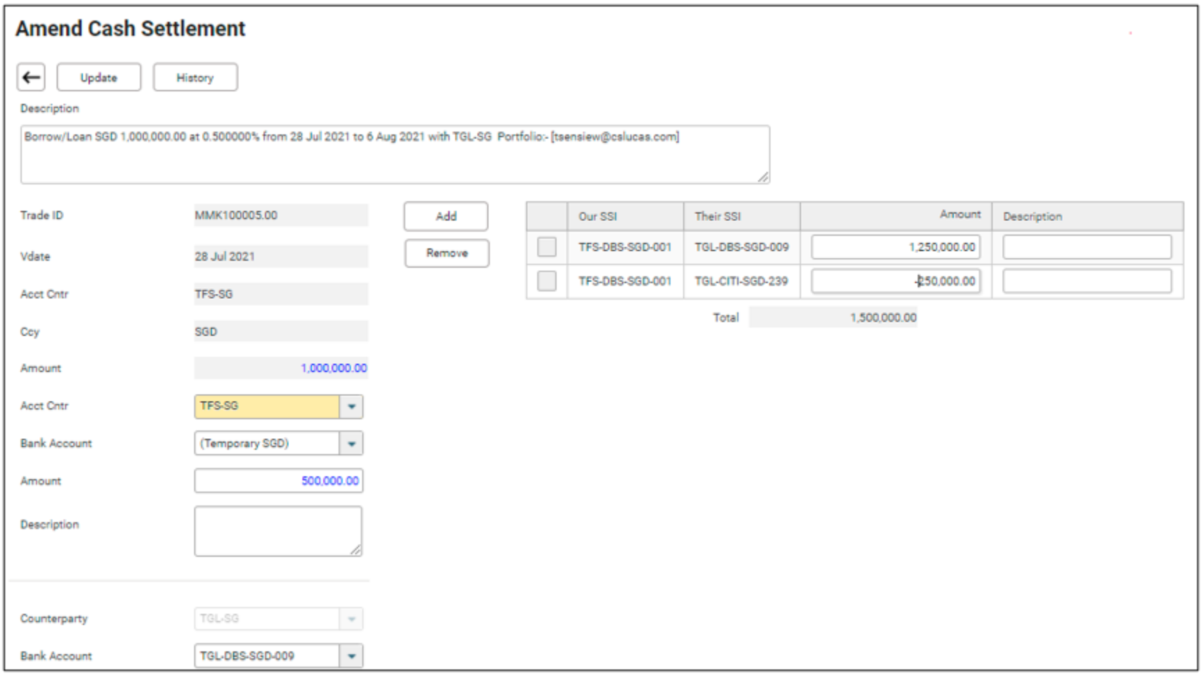
6. Next, add the next split amount by repeating step 3 and 4. In this example, enter the amount as 250,000. Please omit the sign (-ve/+ve) at the point of adding.



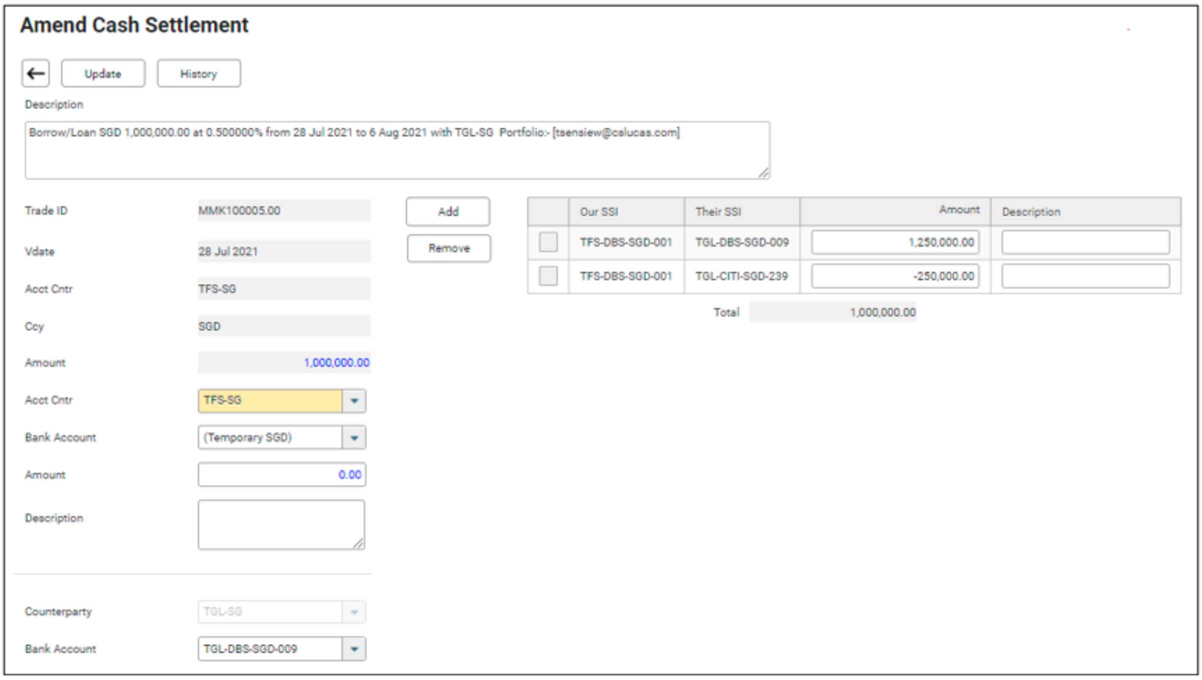
7. Click Add.



8. After adding the split amount and assigned SSI, you may now change the amount by adding "-" for the negative amount.



9. Click Update.



10. The settlement instructions is now updated.

RELATED INFORMATION

Net Trade Settlement

Generate Fund Transfer Letter

Create and Amend Cash Transfer

E-Banking Settlement

Group Settlement

Bank Settlement Charges

CHANGE HISTORY

Date	By	Changes
15-Feb-2008	-	Created
28-Jul-2015	CS	Included section for FAQ
03-Mar-2016	Clarissa	Rewritten. Reformatted.
12-Jun-2016	Douglas	Proofread.
11-Oct-2016	TS	Updated FAQ03 and 04.
10-Aug-2018	Silpa	Added Bank Settlement Charges in Related Information.
22-Nov-2019	Lyra	Updated Screenshots.
15-May-2020	Lyra	Updated instructions and screen shots to include enhancement to allow mass change of SSI and added 3 new filter fields on this screen (CSL23876).
8-Oct-2021	Lyra	Added FAQ06.