



# Reconciliation Exception Sheet and Payment Allocation Sheet Scenarios

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# Overview

- Section 1 – Reconciliation Exception Sheet Scenarios
  - This sections contains broker SOA scenarios and examples of the required reporting where a variance exists between the amount due and the amount remitted
- Section 2 - GST Direct and Importer direct security cheque remittance



Section 1

# RECONCILIATION EXCEPTION SHEET SCENARIOS



# Scenario #1

- Broker Cheque equals broker SOA

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- No RES required



# Scenario #2

- Broker Cheque is less than broker SOA total
  - Interim payments made
  - Interim Amounts + Cheque = SOA total

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- No RES required.
- As per the D Memoranda copies of the K21s for the interim payments must accompany the month end payment



# Scenario #3

- Broker Cheque is less than broker SOA total
  - No interim payments made
- Potential Causes for the Variance
  - Short remitting for GST & Importer Direct Security Clients where “G” and “I” flags were not used.
  - B3 misapplied to non CSA BN15, transferred post statement being issued
  - B3 or CBSA charge is in dispute or appeal post SOA
  - Correction to B3 accounted for post SOA in ARL
- RES Required



# Scenario #3 RES

Broker Name:	Sample Broker					
Broker BN9:	987654321					
Broker Account Security Number:	10100					
Statement of Account Date:	Dec 25th					
Payment Document Number (for CBSA use)						
A - Statement of Account Total: \$	12,700					
B - Customs Broker Cheque Amount: \$	\$10,200					
C- Interim payments During Billing Period Total: \$	\$0					
D - Total Amount Received (B + C): \$	\$10,200					
E - Total Variance (D - A): \$	-\$2,500					
Breakdown of Variance - Complete Only if (E) is not Zero. (Direct Security Short Remittance and Adjustments)						
Company Name	Business Number	Importer's account Security #	Comments	Amount Due (1)	Amount Paid (2)	Variance (2-1)
GST Importer	234567891RM0001		GST Direct Client	\$500	\$0	-\$500
Direct Sec Importer	3456789012RM0001	50500	Importer Direct Security Client	\$1,500	\$500	-\$1,000
ABC Inc.	1416725078RM0001		Appeal post SOA	\$200	\$0	-\$200
XYZ Company	9414715176RM0001		B3 correction	\$1,000	\$200	-\$800
<b>TOTAL (Total variance should equal amount 'E' above)</b>				<b>\$3,200</b>	<b>\$700</b>	<b>-\$2,500</b>



# Scenario #4

- Broker Cheque is more than broker SOA total with no interim payments made
- Potential Causes for the variance
  - Late Accounting B3s
  - B3 initially applied to CSA BN15, transferred post statement being issued
  - Correction to B3 accounted for post SOA in ARL
- RES Required





# Scenario #4 RES

Broker Name:	Sample Broker				
Broker BN9:	987654321				
Broker Account Security Number:	10100				
Statement of Account Date:	Dec 25th				
Payment Document Number (for CBSA use)					
A - Statement of Account Total: \$	\$12,500				
B -Customs Broker Cheque Amount: \$	\$ 13,700				
C- Interim payments During Billing Period Total: \$	\$0				
D - Total Amount Received (B + C): \$	\$13,700				
E - Total Variance (D - A): \$	\$1,200				

Breakdown of Variance - Complete Only if (E) is not Zero. (Direct Security Short Remittance and Adjustments)

Company Name	Business Number	Importer's account Security #	Comments	Amount Due (1)	Amount Paid (2)	Variance (2-1)
Importer #1	234567891RM0001		Late Accounting B3s	\$500	\$1,500	\$1,000
Importer #2	631221824RM0001		B3 correction	\$1,000	\$1,200	\$200
<b>TOTAL (Total variance should equal amount 'E' above)</b>				\$1,500	\$2,700	\$1,200



# Scenario #5

- Broker Cheque is less than broker SOA total
    - Interim payments made
    - Interim Amounts + Cheque  $\neq$  SOA total
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- RES Required
  - As per the D Memoranda copies of the K21s for the interim payments must accompany the month end payment



# Scenario #5 RES

Broker Name:	Sample Broker					
Broker BN9:	987654321					
Broker Account Security Number:	10100					
Statement of Account Date:	Dec 25th					
Payment Document Number (for CBSA use)						
A - Statement of Account Total: \$	\$19,500					
B -Customs Broker Cheque Amount: \$	\$ 12,500					
C- Interim payments During Billing Period Total: \$	\$10,000					
D - Total Amount Received (B + C): \$	\$22,500					
E - Total Variance (D - A): \$	\$2,000					
Breakdown of Variance - Complete Only if (E) is not Zero. (Direct Security Short Remittance and Adjustments)						
Company Name	Business Number	Importer's account Security #	Comments	Amount Due (1)	Amount Paid (2)	Variance (2-1)
Importer #1	234567891RM0001		SOA Late Accounting B3s	\$500	\$1,500	\$1,000
Importer #2	3456789012RM0001		SOA non-CSA B3s transferred	\$0	\$1000	\$1,000
TOTAL (Total variance should equal amount 'E' above)				\$500	\$2,500	\$2,000



Section 2

# **PAYMENT ALLOCATION SHEET INSTRUCTIONS**



# PAS Instructions

- If Broker knows they will be paying on behalf of a G or I importer they should omit the G or I from the B3 so these amounts will be included in broker SOA total payable.
- If the G or I indicator is not used when submitting a B3 the amounts associated with those assessments will be included in the broker month end SOA. These amounts will not need to be reported on the following sheet.
- Any importer-issued, broker delivered, cheques must be included on the following sheet.
- The following sheet will ensure that any incorrect amounts or missing cheques can be detected proactively ensuring that late payment fees or corrections can be avoided.



# Acceptance and Processing of Single Cheque on behalf of Importers

In order to accommodate the current practice for some brokers that are submitting one separate cheque for their GST Direct Clients or Importer Direct Clients for G and I transactions not included on their Broker SOA total, the following interim process is being proposed for Cash Desk Sites:

1. Broker presents the cashier with 2 cheques/payments.
  - a) Payment 1: Payment for transactions associated with the Broker's SOA.
  - b) Payment 2: Payments that appear only on the Importers accounts. A "*Payment Allocation Sheet*" (PAS) will be provided with this payment, which will identify the Importer and the amount to be allocated to that Importer's account.
  
2. The Cashier would post Payment 1 to the Brokers account. For Payment 2:
  - a) When possible, using the PAS, the Cashier will immediately allocate payments to Importer accounts.
  - b) If there are clients waiting, the Cashier will set Payment 2 and the PAS aside and perform the allocation of payments to Importers accounts at a later time. Note: The payment allocations will be dated with the same date as when the cheque was provided by the Broker.
  
3. For Non-Cash Desk Sites, payment information for both cheques and the PAS will be sent to an ARL Cash Desk Site for processing.



# Payment Allocation Sheet Scenario

- To remit for debt for Importer Direct Security and GST Direct Importer clients the broker has submitted:
  - Five Importer issued broker delivered cheques and
  - One lump sum broker issue cheque to cover the debt of another five importers



# Payment Allocation Sheet

Payment Allocation Sheet						
<b>A - Total Reciever General Cheques Amount:</b>			\$	94,988.00		
SECTION ONE: Importer issued broker delivered						
Cheque Issuer	Cheque Number	Company Name	Business Number	Cheque Amount	Allocation Amount	Comments
Importer1	123	Importer1	123456789RM0001	\$ 21,162.00	\$ 21,162.00	
Importer 2	456	Importer 2	234567890RM0004	\$ 1,165.00	\$ 1,165.00	
Importer 3	789	Importer 3	345678901RM0006	\$ 21,362.00	\$ 21,362.00	
Importer 4	101	Importer 4	123456789RM0001	\$ 6,854.00	\$ 6,854.00	
Importer 5	121	Importer 5	234567890RM0003	\$ 24,445.00	\$ 24,445.00	
				Subtotal Section One:	\$ 74,988.00	
SECTION Two: Broker cheque for importer(s) account(s)						
Cheque Issuer	Cheque Number	Company Name	Business Number	Cheque Amount	Allocation Amount	Comments
Broker	131	Importer 6	345678901RM0001	\$ 20,000.00	\$ 4,000.00	
Broker	131	Importer 7	623456789RM0003	\$ 20,000.00	\$ 6,000.00	
Broker	131	Importer 8	484567890RM0003	\$ 20,000.00	\$ 2,000.00	
Broker	131	Importer 9	955678901RM0003	\$ 20,000.00	\$ 3,000.00	
Broker	131	Importer 10	373456789RM0004	\$ 20,000.00	\$ 5,000.00	
				Subtotal Section Two:	\$ 20,000.00	
				<b>Total Section One and Section Two (should equal total R/G cheques amounts 'A' above):</b>	<b>\$ 94,988.00</b>	