

First TUFMAN Training Workshop (TTW-1)  
3-7 December 2012  
SPC, Noumea, New Caledonia

**Session 7.5**  
**Managing License Fees**  
**In TUFMAN**

## IMPORTANCE OF MANAGING AND RECONCILING FEES AND PAYMENTS

Licensing fees are a major source of revenue for a lot of countries in the Pacific, so their importance cannot be understated. The total licensing revenue for the year can amount to millions and form half of a countries total income. It is therefore very important to be able to report on these figures, and report correctly, since errors can amount to significant amounts of money and have a number of bad effects.

This is where TUFMAN fee reconciliation plays a part. In TUFMAN you can enter all of the money paid by companies for licenses and registrations (called receipts in TUFMAN), and all of the fees due for each license and registration. The receipts are then matched to the fees in the license details. If all goes well then the fees due will match the receipts exactly, and the revenue reports will report correctly, but often there are problems with the fees and receipts which lead to the fees not balancing the receipts, and therefore the revenue reports will most likely be wrong. Bad revenue report data can lead to bad advice given to management, affecting management decisions, and can also result in fees not being collected properly, e.g. underpayments or missed payments may go unnoticed), resulting in a loss of revenue.

In the region, most countries TUFMAN have problems with their fee reconciliation, and it is an area where more attention and effort should be given so that the fee reconciliation is balanced regularly and correctly.

## TOOLS FOR FEE RECONCILIATION

TUFMAN has a number of tools available to ensure that your fees and payments are reconciled, and help you to locate errors if they don't match.

### License summary list

The license summary list ('Licensing->Licenses') has 2 columns for fees and receipting:

- **Fee** – the license fee due
- **Receipt?** – A Yes/No field to show whether a receipt has been linked to the license on the license details form. A value of 'No' means that no receipt has been assigned, when this should usually be 'Yes' unless there is no fee charged for the license (or if you don't enter fee information into TUFMAN)

License Summary												
Agreement ID	ARP	Vessel name	License number	Gear	Flag	Issue date	Start date	End date	Fee	Receipt?	License status	
CHM005	8	FM VESSEL 35327	F12-00326-L	L	FM	14-Sep-12	15-Sep-12	14-Sep-13	\$ 10,000.00	Yes	Normal	
CHM005	8	FM VESSEL 35328	F12-00327-L	L	FM	14-Sep-12	15-Sep-12	14-Sep-13	\$ 10,000.00	Yes	Normal	
FMY001	7	FM VESSEL 37	D06-00035-L	L	FM	23-Jun-06	23-Jun-06	14-Jan-07	\$ 0.00	No	Normal	
FMI002	1	FM VESSEL 38	D10-00036-L	L	FM	07-Sep-10	07-Sep-10	14-Jan-11	\$ 0.00	Yes	Normal	
FMN001	10	FM VESSEL 43	D09-00041-L	L	FM	13-Jan-09	03-Feb-09	14-Jan-10	\$ 0.00	No	Normal	

You can use this list by searching for the 'Receipt=No' licenses and following up why the I hasn't been linked.

### Receipts summary list

The receipt summary list ('Licensing->Receipts') also has a column we can use for reconciliation, and a filter for the summary list:

- **Balanced column** – Will be Yes or No, to indicate whether the amount of the receipt matches exactly the amounts allocated to the receipt from licenses (see below)



## Show Linked Fees

The major tool available via the user interface is the 'Show Linked Fees' form. This will show all 'linked payments' for a receipt, and has details of the receipt itself and the linked payments so you can see all on one screen. This form is available via a 'Show Linked Fees' button on the receipts summary list (for the selected receipt) and also on the receipt details form.

Receipt Summary								
Company	Date rec'd	Remittance Ref	Foreign amount	Currency	Local amount	Complete	Balanced	Comments
► KR Company 53	27-Dec-12	431	\$ 24,300.00	USD	\$24,300.00	Yes	Yes	
TW Company 10	18-Dec-12	430	\$ 12,150.00	USD	\$12,150.00	Yes	Yes	
TW Company 80	13-Dec-12	411	\$ 12,150.00	USD	\$12,150.00	Yes	Yes	
TW Company 80	08-Dec-12	411	\$ 12,150.00	USD	\$12,150.00	Yes	Yes	
TW Company 70	17-Nov-12	429	\$ 72,900.00	USD	\$72,900.00	Yes	Yes	
CN Company 6	14-Nov-12	398	\$ 12,150.00	USD	\$12,150.00	Yes	Yes	
CN Company 6	25-Oct-12	398	\$ 12,150.00	USD	\$12,150.00	Yes	Yes	
CN Company 6	06-Oct-12	398	\$ 12,150.00	USD	\$12,150.00	Yes	Yes	
CN Company 6	29-Sep-12	398	\$ 36,450.00	USD	\$36,450.00	Yes	Yes	
CN Company 6	14-Sep-12	398	\$ 72,900.00	USD	\$72,900.00	Yes	Yes	
FM Company 15	03-Aug-12	422	\$ 24,300.00	USD	\$24,300.00	Yes	Yes	
CN Company 6	01-Aug-12	398	\$ 24,300.00	USD	\$24,300.00	Yes	Yes	
TW Company 67	24-Jul-12	417	\$ 60,750.00	USD	\$60,750.00	Yes	Yes	
JP Company 25	21-Apr-12	403	\$ 12,150.00	USD	\$12,150.00	Yes	Yes	
TW Company 80	29-Mar-12	411	\$ 24,300.00	USD	\$24,300.00	Yes	Yes	
TW Company 80	06-Mar-12	411	\$ 12,150.00	USD	\$12,150.00	Yes	Yes	
PG Company 74	03-Mar-12	413	\$ 12,150.00	USD	\$12,150.00	Yes	Yes	
TW Company 80	28-Feb-12	411	\$ 12,150.00	USD	\$12,150.00	Yes	Yes	
TW Company 80	20-Jan-12	411	\$ 12,150.00	USD	\$12,150.00	Yes	Yes	
FM Company 33	17-Jan-12	410	\$ 12,150.00	USD	\$12,150.00	Yes	Yes	
JP Company 34	16-Jan-12	363	\$ 11,150.00	USD	\$11,150.00	Yes	Yes	
FM Company 24	12-Jan-12	409	\$ 12,150.00	USD	\$12,150.00	Yes	Yes	
JP Company 25	05-Jan-12	403	\$ 12,150.00	USD	\$12,150.00	Yes	Yes	
FM Company 16	03-Jan-12	407	\$ 24,300.00	USD	\$24,300.00	Yes	Yes	
KR Company 53	28-Dec-11	406	\$ 278,750.00	USD	\$278,750.00	Yes	Yes	
TW Company 40	20-Dec-11	388	\$ 33,450.00	USD	\$33,450.00	Yes	Yes	
TW Company 10	20-Dec-11	404	\$ 22,300.00	USD	\$22,300.00	Yes	Yes	
TW Company 10	16-Dec-11	404	\$ 22,300.00	USD	\$22,300.00	Yes	Yes	
TW Company 10	14-Dec-11	404	\$ 11,150.00	USD	\$11,150.00	Yes	Yes	

Delete Receipt
Show Linked Fees
New Receipt
Edit Receipt

**Remittance Details:**

Association/Company: KRT KR Company 53

Remittance Ref: 431 Confirmed:

Bank Ref: 431 Other Ref:

Receipt Date: 27-Dec-2012

Comments:

---

**Remittance Amounts:**

Total amount paid: \$ 24,300.00 Amount of cheque or TT paid, in the original currency of the payment

Currency: USD

Exchange Rate: 1.000000 Exchange rate of TT or foreign payment, or 1.0 if paid in local currency. Must be verified against exchange rate written on the bank advice

Local amount : \$ 24,300.00 Amount of payment in local currency before bank fees are deducted

---

Bank Fees deducted: \$ 0.00 Bank fees deducted from payment when credited to account

Amount credited to bank account: \$ 24,300.00 Final amount credited to fisheries account after bank fees were deducted

---

Incomplete amount details:  Check this box if you do not have the local currency amount of the payment and the exchange rate. These details will need to be left blank and filled in later

Record Entered By: SYSTEM Entry Date: 15-Nov-2012 3:38 PM

**Show linked fees** Cancel Close Form

The top half of the screen shows the remittance details of the receipt, the reference numbers and amounts including the foreign amount. The lower half of the screen shows the linked payments. The screenshot below is for our previous example, receipt 06-0440. You will see 6 linked licenses for \$10,000 each, totalling \$60,000 which balances with the receipt amount of \$60,000. You will also notice that the license from the example above is one of the licenses in the list (FM12-00319-L) (in green).

There is another 'balanced' column on this form which is different to the 'balanced' column on the receipt summary list. This column is for each of the licenses on the list below, and will be 'Yes' if the total of 'Fees due' matches exactly the amount from 'allocated payment detail' (in yellow below). In other words, on the license details form does the total of fees due match the total of 'linked payments'. If not then there is a problem that needs to be resolved.

**Remittance Details:**

Association/Company: CHM CN Company 6

Remittance Ref: 06-0440 Confirmed:

Bank Ref: CR-103134 Other Ref: Check No. 1144 Receipt Date: 18-Sep-2012

Comments:

Foreign amount paid: \$ 60,000.00 Exchange Rate: 1.000000

Currency: USD

Local amount: \$ 60,000.00

**Linked Payments:**

Linked Payments Summary			Allocated payment details			Fees due				Total	Balanced
Type	Reference number	Vessel name	Orig Amount	Currency	Local amount	License	Registration	Observer	Other		
LIC	F12-00319-L	FM VESSEL 35226	\$ 10,000.00	USD	\$ 10,000.00	10,000	0	0	0	10,000	Yes
LIC	F12-00318-L	FM VESSEL 35225	\$ 10,000.00	USD	\$ 10,000.00	10,000	0	0	0	10,000	Yes
LIC	F12-00064-L	FM VESSEL 8433	\$ 10,000.00	USD	\$ 10,000.00	10,000	0	0	0	10,000	Yes
LIC	F12-00327-L	FM VESSEL 35328	\$ 10,000.00	USD	\$ 10,000.00	10,000	0	0	0	10,000	Yes
LIC	F12-00326-L	FM VESSEL 35327	\$ 10,000.00	USD	\$ 10,000.00	10,000	0	0	0	10,000	Yes
LIC	F12-00203-L	FM VESSEL 33448	\$ 10,000.00	USD	\$ 10,000.00	10,000	0	0	0	10,000	Yes
<b>Export to Excel</b>			\$60,000.00		\$60,000.00					60,000	

## Reports

There are a number of reports in the Licensing Reports section that can help you locate and fix fee reconciliation errors. These are all under section 6 of the licensing reports:

6-a	Receipts: Fees-receipts reconciliation by receipt
6-b	Receipts: List of receipts with no fees assigned
6-c	Receipts: Licenses with unmatched receipt allocation
6-d	Receipts: Annual receipts listing by company
6-e	Receipts: Summary of fees-receipts by agreement
6-f	Receipts: Registrations with unmatched receipt allocation
6-g	Receipts: Summary of fees-receipts by year and currency

It is important to become familiar with all of these reports. Some of them are complicated and have a lot of information, but once you know them it is much easier to find and fix the errors.

### Licensing Report 6a: Fees-receipts reconciliation by receipt

This is the main report to use when reconciling fees. It lists all of the receipts for a selected year, and shows the licenses and payments linked to that receipt. All receipts should have a 'difference' of 0.

### Fees-Receipts Reconciliation by Receipt

For money received during - 2011

Company: CN Company 3

RECEIPTS				Allocated to					Allocation amounts					Difference Receipt and Fees	
Date	Reference	Amount	(Local Amt)	Reference Number	Lic Fee	Obs.	Req	Other	Total Fees	Lic Fee	Obs.	Req	Other		Total Fees
19/05/2011	384-201110519	33,450	33,450	F11-00091-S	11,000	150	0	0	11,150	11,000	150	0	0	11,150	
		33,450	33,450	F11-00105-S	11,000	150	0	0	11,150	11,000	150	0	0	11,150	
	<b>Receipt totals</b>	<b>33,450</b>												<b>22,300</b>	<b>11,150</b>
24/05/2011	384-201110524	11,150	11,150	F11-00181-S	11,000	150	0	0	11,150	11,000	150	0	0	11,150	
	<b>Receipt totals</b>	<b>11,150</b>												<b>11,150</b>	<b>0</b>
25/05/2011	384-201110525	11,150	11,150	F11-00138-S	11,000	150	0	0	11,150	11,000	150	0	0	11,150	
	<b>Receipt totals</b>	<b>11,150</b>												<b>11,150</b>	<b>0</b>
<b>COMPANY TOTALS</b>		<b>55,750</b>												<b>44,600</b>	<b>11,150</b>

The key parts of report 6a are:

- **Receipts** – The details of the receipts, there is one section for every receipt for the year
- **Allocated to** – lists the licenses and other payments linked to this receipt. The amounts here are all of the amounts due for the license
- **Allocation Amounts** – These are the amounts actually allocated to the receipt, i.e. the amounts entered in the ‘payments’ section of the license details. Usually these will match the ‘allocated to’ amounts, but not always.
- **Difference Receipt and Fees** – This shows the difference between the receipt amount and the sum of the ‘allocation amounts’, and should be 0, and the goal of fee reconciliation is to make all of these 0.
- **Company Totals** – the totals by company

### Licensing Report 6b: List of receipts with no fees assigned

This is a simple report that lists receipts that are not linked to any license or other fee. So a company has made a payment and the receipt has been entered into TUFMAN, but it has not been linked to anything. Usually there should be nothing in this report. The report simply lists the receipt details.

#### Receipts not allocated to any license or other fee

Company: TW Company 10

Nationality: Taiwan

Date	Reference	Amount	Currency	(Local Amt)
14-Dec-2011	404-20111214	11,150	USD	11,150

### Licensing Report 6c: Licenses with unmatched receipt allocation

Report 6c lists all licenses with ‘unmatched receipt allocation’.

#### Licenses with non-matched fees

For licenses with start date during - 2011

Company: CN Company 3

Agreement: CHF003 ARP No: 1 ARP Start Date: 20-May-2011 ARP End Date: 19-May-2012

License start date	License number	Vessel name	Lic Fee	Obs fee	Other fees	Total Fees	Currency	Assigned from receipts	Difference
20-May-2011	F11-00095-S	CN VE SSEL 22764	11,000.00	150.00	0.00	11,150.00	USD	11,000.00	150.00

This means that the sum of fees due for a license, do not match the sum of ‘payments’. In the example above the total fees due are \$11,150, but only \$11,000 are assigned from receipts. If we look at the license

details below, you can see the matching figures from the report, the 'Applicable fees' totals \$11,150, while the total of 'payments' is \$11,000, a difference of \$150.

<b>Applicable Fees:</b>		Currency: <input type="text" value="USD"/>	Management Fee (\$) <input type="text" value="\$ 0.00"/>			
	license fee:	<input type="text" value="\$ 11,000.00"/>				
	Observer fee:	<input type="text" value="\$ 150.00"/>				
	Registration fee:	<input type="text" value="\$ 0.00"/>				
<b>TOTAL FEES DUE:</b>			<b><input type="text" value="\$ 11,150.00"/></b>			
<b>license Number:</b>						
	license Number:	<input type="text" value="F11-00095-S"/>	<input type="button" value="Generate Number"/>			
			Certificate issued: <input type="checkbox"/>			
<b>Payments:</b>						
	Receipt	Pmt type	Amount	CUR	Local amount	Comments
Note that currency of payment must match fee currency	<input type="text" value="384-20110525"/>	<input type="text" value="License Fee"/>	11000	USD	\$11,000.00	
	<input type="text" value="*"/>					
<b>Totals</b>			11000		\$11,000.00	

Usually there should be nothing in report 6c. The only exceptions are when a license is paid in multiple instalments, so the company pays half the fee when the license is issued, and then makes another payment a few months later.

### Licensing Report 6d: Annual receipts listing by company

Report 6d will not highlight any errors, it is simply a summary list of all of the receipts paid for each company. This report can be useful to have as a reference when trying to resolve errors identified in the other reports.

Annual Receipts Listing by Company For YEAR 2011					
Company: CN Company 3					
Flag: China					
DATE	Remittance Ref.	Bank Ref.	Receipt	Bank Fees	
19/05/2011	384-20110519	384	\$33,450	\$0	
24/05/2011	384-20110524	384	\$11,150	\$0	
25/05/2011	384-20110525	384	\$11,150	\$0	
<b>TOTALS</b>			\$55,750	\$0	

### Licensing Report 6e: Summary of fees/receipts by agreement

Report 6e is useful as a quick summary for locating errors, as well as being useful as a revenue report. It lists a single line per agreement, showing the number of licenses, sum of the license fees due, sum of license fees paid, and 'difference' between the fees paid and due. Usually this should be 0.

Summary of Fees-Receipts by Agreement For Agreements active during - 2011																	
COMPANY	AGR. No	ARP	ARP Dates	#Lic	license FEE S DUE					license FEE S PAID					Difference		
					Lic Fee	Obs.	Reg	Other	Total	Cur.	Lic Fee	Obs.	Reg	Other		Total	Cur.
CN Company 12	FMB002	1	31/01/2010 - 30/01/2011	3	30,000	450	0	0	30,450	USD	30,000	450	0	0	30,450	USD	0
CN Company 3	CHF002	1	20/05/2010 - 19/05/2011	3	30,000	450	0	0	30,450	USD	30,000	450	0	0	30,450	USD	0
CN Company 3	CHF003	1	20/05/2011 - 19/05/2012	5	55,000	750	0	0	55,750	USD	55,000	600	0	0	55,600	USD	-150

## Licensing Report 6f: Registrations with unmatched receipt allocation

This report is identical to report 6c, except that it is for registrations (the separate registrations). This is used rarely in the region.

## Licensing Report 6g: Summary of fees/receipts by year and currency

This report is similar to report 6e, except that it is for the entire year with all agreements combined. Again, the difference should normally be 0. There isn't enough detail in this report to be useful for fee reconciliation but it is a good summary of revenue and payments for the year.

Summary of Fees-Receipts by Year								For licenses active during - 2011									
license FEE S DUE								license FEES PAID									
#Lic	Lic Fee	Obs.	Reg	VOC	Other	Total	Cur.	Lic Fee	Obs.	Reg	Violations	VOC	Offload	Other	Total	Cur.	Difference
204	2,137,000	30,600	0	0	0	2,167,600	USD	2,126,000	30,150	0	0	0	0	0	2,156,150	USD	-11,450

## CHECKLIST FOR FEE RECONCILIATION

Below is a checklist for performing fee reconciliation. It is also recommended to become familiar with the common problems and resolution (next section) since this will account for most of the problems you will encounter. This is a guide only, you may find another method that suits you better, the key is that all of the reports are properly balanced.

### Checklist:

- Is Report 6e balanced? (i.e. all the numbers in the difference column 0?)
  - No? – Troubleshoot the error.
- Is there anything in Report 6c?
  - Yes? – Fix any errors and re-run until the report is empty
- Is there anything in Report 6b?
  - Yes? – Fix any errors and re-run until the report is empty
- Are all receipts balanced in report 6a?
  - No? – Troubleshoot the errors

### Troubleshooting tips:

- Use all reports 6a, 6b, 6c, 6d, 6e together. Usually a problem will show itself in more than one report which will make it easier to fix
- Reconcile regularly. If you reconcile after every batch of licenses are issued then it will be much easier to keep on top of it, while documents are close to hand and things are fresh in people's minds
- Become familiar with the examples in this document since these show 95% of the errors you will encounter

## SOME EXAMPLES OF COMMON PROBLEMS AND RESOLUTION

### 1) License fees not linked to a receipt or license not entered

In this scenario:

- The receipt has been entered
- The receipt is not linked to a license fee, or missing a link to a license fee
- The license may or may not have been entered

**Main method of Detection:**

- Receipt summary will show as ‘Balanced = ‘No’
- There will be no, or missing, linking information on the ‘Show Linked Fees’ form
- Licensing reports 6a, 6b, and 6c

**Example 1a:**

In this example, payment ‘404-20111214’ is for \$11,150 with ‘balanced = No’ on the receipt summary screen.

Receipt Summary								
Company	Date rec'd	Remittance Ref	Foreign amount	Currency	Local amount	Complete	Balanced	Comments
TW Company 10	14-Dec-11	404-20111214	\$ 11,150.00	USD	\$11,150.00	Yes	No	license and obs fee for TW VESSEL 33900

When we look at the ‘show linked fees’ form, there is nothing listed. The comments for the receipt show that this receipt is for ‘License and Observer fee for TW VESSEL 33900.’

**Remittance Details:**

Association/Company:

Remittance Ref:  Confirmed:

Bank Ref:  Other Ref:  Receipt Date:

Comments:

Foreign amount paid:  Exchange Rate:

Currency:  (  )

Local amount :

---

**Linked Payments:**

Linked Payments Summary			Allocated payment details			Fees due				
Type	Reference number	Vessel name	Orig Amount	Currency	Local amount	License	Registration	Observer	Other	Total

To fix this error, we go to the licenses for TW VESSEL 33900 (use the filter for the license summary to list license for this vessel):

Company:

Agreement:  ARP:

Year From:  To:

Current:  Status:

Gear:  Flag:

Vessel:

Ownership:

---

**License Summary**

Agreement ID	ARP	Vessel name	License number	Gear	Flag	Issue date	Start date	End date	Fee	Receipt?	License status
FLG001	1	TW VESSEL 33900	F11-00235-L	L	TW	14-Dec-11	26-Dec-11	27-Nov-12	\$ 11,000.00	No	Normal
TWN006	1	TW VESSEL 33900	F10-00235-L	L	TW	29-Jan-10	29-Jan-10	28-Jan-11	\$ 10,000.00	Yes	Normal
TWN005	2	TW VESSEL 33900	F08-00235-L	L	TW	02-Aug-08	05-Aug-08	04-Aug-09	\$ 8,000.00	Yes	Normal

Here we also see the license for the matching date of the receipt has ‘Receipt?=No’.

Fixing is a matter of going to the license details for this license, and add the license fee and observer fee payments linked to receipt 404:

<b>Payments:</b>		Receipt	Pmt type	Amount	CUR	Local amount	Comments
Note that currency of payment must match fee currency		404	License Fee	11000	USD	\$11,000.00	
		REM_Ref	recvd_date	amnt	Cur_Code	Ex_Rat	Comments
		430	18/12/2012	\$ 12,150.00	USD	1	
		404	20/12/2011	\$ 22,300.00	USD	1	
	404	16/12/2011	\$ 22,300.00	USD	1		
	404	14/12/2011	\$ 11,150.00	USD	1	license and obs fee for TW VESSEL 339	

### Reconciliation reports showing the error

- Licensing report 6b (List of receipts with no fees assigned)

<b>Receipts not allocated to any license or other fee</b>				
Company: TW Company 10				
Nationality: Taiwan				
Date	Reference	Amount	Currency	(Local Amt)
14-Dec-2011	404-20111214	11,150	USD	11,150

- Licensing Report 6c (Licenses with unmatched receipt allocation)

Company: TW Company 10									
Agreement: FLG001    ARP No: 1    ARP Start Date: 28-Nov-2011    ARP End Date: 27-Nov-2012									
License start date	License number	Vessel name	Lic Fee	Obs fee	Other fees	Total Fees	Currency	Assigned from receipts	Difference
26-Dec-2011	F11-00235-L	TW VESSEL 33900	11,000.00	150.00	0.00	11,150.00	USD	0.00	11,150.00

### Example 1b:

In example 1b, payment '384-20110519' is for \$33,450 with 'balanced = No' on the receipt summary screen:

<b>Receipt Summary</b>									
Company	Date rec'd	Remittance Ref	Foreign amount	Currency	Local amount	Complete	Balanced	Comments	
CN Company 3	19-May-11	384-20110519	\$ 33,450.00	USD	\$33,450.00	Yes	<b>No</b>	license and obs	

When we look at the 'show linked fees' form, there are 2 linked licenses. The comments for the receipt show that this receipt is for 'License and Observer fee for CN VESSEL 23382, CN VESSEL 21535, and CN VESSEL 22764, but we can see on the show linked fees form that CN VESSEL 22764 is not listed:

**Remittance Details:**

Association/Company: CHF CN Company 3

Remittance Ref: 884 Confirmed:

Bank Ref: 384 Other Ref: Receipt Date: 19-May-2011

Comments: license and obs fee for CN VESSEL 23382,CN VESSEL 21535,CN VESSEL 22764

Foreign amount paid: \$ 33,450.00 Exchange Rate: 1.000000

Currency: USD

Local amount : \$ 33,450.00

**Linked Payments:**

Linked Payments Summary			Allocated payment details			Fees due				
Type	Reference number	Vessel name	Orig Amount	Currency	Local amount	License	Registration	Observer	Other	Total
LIC	F11-00105-S	CN VESSEL 23382	\$ 11,150.00	USD	\$ 11,150.00	11,000	0	150	0	11,150
LIC	F11-00091-S	CN VESSEL 21535	\$ 11,150.00	USD	\$ 11,150.00	11,000	0	150	0	11,150

To fix this error, we go to the licenses for CN VESSEL 22764 as for example 1a (use the filter for the license summary to list license for this vessel):

**Reconciliation reports showing the error**

- Licensing report 6a (Fees –receipts reconciliation by receipt)

**Fees-Receipts Reconciliation by Receipt** For money received during - 2011

Company: CN Company 3

RECEIPTS				Allocated to						Allocation amounts					Difference Receipt and Fees
Date	Reference	Amount	(Local Amt)	Reference Number	Lic Fee	Obs.	Req	Other	Total Fees	Lic Fee	Obs.	Req	Other	Total Fees	
19/05/2011	384-20110519	33,450	33,450	F11-00091-S	11,000	150	0	0	11,150	11,000	150	0	0	11,150	
		33,450	33,450	F11-00105-S	11,000	150	0	0	11,150	11,000	150	0	0	11,150	
<b>Receipt totals</b>		<b>33,450</b>												<b>22,300</b>	<b>11,150</b>

- Licensing Report 6c (Licenses with unmatched receipt allocation)

**Licenses with non-matched fees** For licenses with start date during - 2011

Company: CN Company 3

Agreement: CHF003 ARP N: 1 ARP Start Date: 20-May-2011 ARP End Date: 19-May-2012

License start date	License number	Vessel name	Lic Fee	Obs fee	Other fees	Total Fees	Currency	Assigned from receipts	Difference
20-May-2011	F11-00095-S	CN VE SSEL 22764	11,000.00	150.00	0.00	11,150.00	USD	0.00	11,150.00

**2) Incomplete or wrong license payment information**

In this scenario:

- The receipt has been entered
- The receipt is linked to a license fee but is wrong or incomplete

**Main method of Detection:**

- Receipt summary will show as 'Balanced = 'No'
- There will be no, or missing, linking information on the 'Show Linked Fees' form
- Licensing reports 6a, 6b, and 6c

**Example 2a:**

In this example, payment '362-20101126' is for \$10,150 with 'balanced = No' on the receipt summary screen.

Receipt Summary								
Company	Date rec'd	Remittance Ref	Foreign amount	Currency	Local amount	Complete	Balanced	Comments
▶ JP Company 25	26-Nov-10	362-20101126	\$ 10,150.00	USD	\$10,150.00	Yes	No	

When we look at the 'show linked fees' form, there is a linked payment for JP VESSEL 33524, but note that it has 'balanced = No'. This means that the sum of license fees for the license does not match the sum of the linked payments. Note also that the 'allocated payment' amount is \$11,000, whereas the amount of the receipt is \$11,150, and sum of fees is also '\$11,150', so the sum of 'allocated payments' should also be \$11,150.

Linked Payments:											
Linked Payments Summary			Allocated payment details				Fees due				
Type	Reference number	Vessel name	Orig Amount	Currency	Local amount	License	Registration	Observer	Other	Total	Balanced
▶ LIC	F10-00208-L	JP VESSEL 33524	\$ 10,000.00	USD	\$ 10,000.00	10,000	0	150	0	10,150	No

On the license details form we see the following;

**Applicable Fees:**      Currency:       Management Fee (s)

    license fee:

    Observer fee:

    Registration fee:

---

**TOTAL FEES DUE: \$ 10,150.00**

---

**license Number:**      license Number:             Certificate issued:

---

**Payments:**

Receipt	Pmt type	Amount	CUR	Local amount	Comments
▶ 362-20101126	License Fee	10000	USD	\$10,000.00	
* <input type="text"/>	<input type="text"/>				

Note that currency of payment must match fee currency

The fees due are:

- License fee \$10,000
- Observer fee \$150

Payments are:

- License fee \$10,000
- Observer fee payment is missing..

So to fix the problem, we add a new payment, linked to receipt 362-20101126, for \$150 for the observer fee:

Payments:						
Receipt	Pmt type	Amount	CUR	Local amount	Comments	
▶ 362-20101126	License Fee	10000	USD	\$10,000.00		
▶ 362-20101126	Observer Fee	150	USD	\$150.00		

**Reconciliation reports showing the error**

- Licensing report 6a (Fees –receipts reconciliation by receipt)

26/11/2010	382-20101126	10,150	10,150	F10-00208-L	10,000	150	0	0	10,150	10,000	0	0	0	10,000
<b>Receipt totals</b>		10,150								10,000				150

- Licensing Report 6c (Licenses with unmatched receipt allocation)

Licenses with non-matched fees		For licenses with start date during - 2010									
Company: JP Company 25											
Agreement: FMO003		ARP No: 1		ARP Start Date: 09-Nov-2010		ARP End Date: 08-Nov-2011					
License start date	License number	Vessel name	Lic Fee	Obs fee	Other fees	Total Fees	Currency	Assigned from receipts	Difference		
29-Nov-2010	F10-00208-L	JP VESSEL 33524	10,000.00	150.00	0.00	10,150.00	USD	10,000.00	150.00		

In this example there was a complete linked payment missing, for the observer fee. However you would get the same situation if the linked payment amount was entered incorrectly, for example if the license fee was \$10,000 and the linked payment was entered as \$1,000, so you would then change the linked payment amount from \$1,000 to \$10,000 to fix the error. Similarly, if the receipt amount was entered incorrectly, say as \$1,000 instead of \$10,000, then the error would look the same as this example but to fix it you would change the receipt from \$1,000 to \$10,000. There are other scenarios as well, this is a common type of error.

### 3) Wrong receipt linked to a license fee

In this situation, the license payment has been entered but was linked to the wrong receipt. A typical scenario is:

- There is a receipt, unbalanced, that has an extra license allocated to it
- There is a second receipt, unbalanced, with 1 fewer license assigned to it

#### Example 3a:

In this example, payment '308-20091125' is for \$9,150 with 'balanced = No' on the receipt summary screen, payment '308-20091126' is for \$27,450 and is also unbalanced:

Receipt Summary								
Company	Date rec'd	Remittance Ref	Foreign amount	Currency	Local amount	Complete	Balanced	Comments
TW Company 80	26-Nov-09	308-20091126	\$ 27,450.00	USD	\$27,450.00	Yes	No	
TW Company 80	25-Nov-09	308-20091125	\$ 9,150.00	USD	\$9,150.00	Yes	No	

Show linked fees form for 308-20091125 shows no linked payments:

Linked Payments:											
Linked Payments Summary			Allocated payment details			Fees due					
Type	Reference number	Vessel name	Orig Amount	Currency	Local amount	License	Registration	Observer	Other	Total	Balanced

Show linked fees form for 308-20091126 shows 4 linked licenses, for a total linked payment amount of \$36,600, while the payment is only for \$24,450. From the amounts alone we can see that the payment is only for 3 licenses but 4 have been allocated.

**Linked Payments:**

Linked Payments Summary			Allocated payment details			Fees due				
Type	Reference number	Vessel name	Orig Amount	Currency	Local amount	License	Registration	Observer	Other	Total
LIC	F09-00229-L	TW VESSEL 33802	\$ 9,150.00	USD	\$ 9,150.00	9,000	0	150	0	9,150
LIC	F09-00303-L	TW VESSEL 34908	\$ 9,150.00	USD	\$ 9,150.00	9,000	0	150	0	9,150
LIC	F09-00309-L	TW VESSEL 35048	\$ 9,150.00	USD	\$ 9,150.00	9,000	0	150	0	9,150
LIC	F09-00302-L	TW VESSEL 34845	\$ 9,150.00	USD	\$ 9,150.00	9,000	0	150	0	9,150

After some research (and hopefully in the comments of the receipt) we find that 308-20091125 payment is for vessel TW VESSEL 33802, but that has been linked to receipt 308-20091126. So to fix the problem we only have to change the linked payment reference for the license of TW VESSEL 33802 from 308-20091126 to 308-20091125:

Receipt	Pmt type	Amount	CUR	Local amount	Comments
308-20091126	License Fee	9000	USD	\$9,000.00	
REM_Ref	recvd_date	amnt	Cur_Code	Ex_Rat	Comments
* 308-20091126	26/11/2009	\$ 27,450.00	USD	1	
308-20091125	25/11/2009	\$ 9,150.00	USD	1	

**Reconciliation reports showing the error**

- Licensing report 6a (Fees –receipts reconciliation by receipt)

25/11/2009	308-20091125	9,150	9,150						0	0	0	0	0	0
<b>Receipt totals</b>		<b>9,150</b>											<b>0</b>	<b>9,150</b>
26/11/2009	308-20091126	27,450	27,450	F09-00229-L	9,000	150	0	0	9,150	9,000	150	0	0	9,150
		27,450	27,450	F09-00302-L	9,000	150	0	0	9,150	9,000	150	0	0	9,150
		27,450	27,450	F09-00303-L	9,000	150	0	0	9,150	9,000	150	0	0	9,150
		27,450	27,450	F09-00309-L	9,000	150	0	0	9,150	9,000	150	0	0	9,150
<b>Receipt totals</b>		<b>27,450</b>											<b>36,600</b>	<b>-9,150</b>

- Licensing report 6b (List of receipts with no fees assigned) – may not always show on this report though.

<b>Company:</b>	TW Company 80			
<b>Nationality:</b>	Taiwan			
Date	Reference	Amount	Currency	(Local Amt)
25-Nov-2009	308-20091125	9,150	USD	9,150

**4) Payment not for the correct amount**

In this scenario, the fishing company has sent some money but not for the correct amount of the license. This can occur for a number of reasons, the most common being when the foreign bank deducts a bank fee before sending to your country. For example the company sends \$10,000, but \$20 are deducted at the foreign bank leaving only \$9,980 arriving to your country’s bank (who may deduct further fees). Here is an example:

**Example 4a:**

In this example, payment ‘292-20081227’ is for \$8,130 with ‘balanced = No’ on the receipt summary screen:

Receipt Summary								
Company	Date rec'd	Remittance Ref	Foreign amount	Currency	Local amount	Complete	Balanced	
PH Company 57	27-Dec-08	292-20081227	\$ 8,130.00	USD	\$8,130.00	Yes	No	

On the 'show linked fees' form, we see that it is linked to a license, with fees totalling \$8,150, when the receipt is for \$8,130. In this case, the 'linked' payments have been entered according to the license fee.

Remittance Details:												
Association/Company:		PHF PH Company 57										
Remittance Ref:		292-20081227		Confirmed: <input type="checkbox"/>								
Bank Ref:		292		Other Ref:				Receipt Date: 27-Dec-2008				
Comments:												
Foreign amount paid:		\$ 8,130.00		Exchange Rate:		1.000000						
Currency:		USD										
Local amount :		\$ 8,130.00										
Linked Payments:												
Linked Payments Summary			Allocated payment details				Fees due					
Type	Reference number	Vessel name	Orig Amount	Currency	Local amount	License	Registration	Observer	Other	Total	Balanced	
▶ LTC	F08-00090-S	PH VESSEL 21436	\$ 8,150.00	USD	\$ 8,150.00	8,000	0	150	0	8,150	Yes	

How to fix? Well in this case there are 4 choices:

- 1) Follow up with the company to get the missing amount. This might be worth it for large amounts but for \$20 or so is probably not worth the effort
- 2) Leave as is with unbalanced fees in TUFMAN – not recommended
- 3) Raise the amount of the receipt in TUFMAN, so in this case change the receipt amount from \$8,130 to \$8,150, so that it matches
- 4) Lower the amount of the license fee in TUFMAN, so in this case lower the total fees from \$8,150 to \$8,130 to match the value of the receipt. This is perhaps the best solution for small amounts, since it reflects the amount of money actually received and makes the fees balance in TUFMAN.

Which solution you choose is up to your country, but perhaps best to check with management before choosing the method.

## SPECIAL CASES

There are 2 special fee cases worth mentioning; partial payments, and fines and other payments.

### Partial payments / multiple instalments

Partial payments are when a company pays for fees with multiple instalments. For example, when the license is issued they make a payment to cover 50% of the license fee, and then a few months later they may make a second payment for the other 50%. This is how you would do this in TUFMAN:

- Enter the receipt for payment 1, e.g for \$6,150 for a \$12,000 license fee and \$150 observer fee
- Enter the license, with the fee for \$12,150
- Enter the license 'linked payment', for \$6,150 linked to the first receipt.

Note that at this stage you will have an 'unbalanced' license because the fees due are \$12,150 but only \$6,150 is allocated to a receipt. Note though that the receipt balances, because it was for \$6,150 and has \$6,150 assigned to a license.

**Applicable Fees:** Currency:  Offload Fees   
 license fee:

**TOTAL FEES DUE: \$ 12,150.00**

**license Number:** license Number:   Certificate issued:

**Payments:**

Receipt	Pmt type	Amount	CUR	Local amount	Comments
208	License Fee	6000	USD	\$6,000.00	1st installment
208	Observer Fee	150	USD	\$150.00	
		Totals	6150	\$6,150.00	

Note that currency of payment must match fee currency

**Licenses with non-matched fees** For licenses with start date during - 2006

Company: FM Company 16  
 Agreement: FMF001 ARP No: 8 ARP Start Date: 15-Jan-2006 ARP End Date: 14-Jan-2007

License start date	License number	Vessel name	Lic Fee	Obs fee	Other fees	Total Fees	Currency	Assigned from receipts	Difference
15-Jan-2006	D06-00096-S	FM VE SSEL 22772	12,000.00	150.00	0.00	12,150.00	USD	6,150.00	6,000.00

**When the second instalment is paid:**

- Enter the second receipt, for \$6,000
- Edit the license, and add another linked payment for \$6,000, linked to the second instalment.
- Everything will now balance.

**Payments:**

Receipt	Pmt type	Amount	CUR	Local amount	Comments
208	License Fee	6000	USD	\$6,000.00	1st installment
208	Observer Fee	150	USD	\$150.00	
1021	License Fee	6000	USD	\$6,000.00	2nd instalment
		Totals	12150	\$12,150.00	

Note that currency of payment must match fee currency

So until the second instalment is made, you will have unbalanced licenses, but this is correct in this case and shows that payment is outstanding for the particular licenses.

**Fines and 'other' payments**

Some fines and other payments not directly related to the issuing of a license, may not be directly supported in TUFMAN. TUFMAN does have specific areas to enter the following fee types, set under the license profiles in the Admin menu:

- License fee
- Observer fee
- Registration fee

- Activation fee
- Goods and services fee
- Extra vessel fee
- Value of catch fee
- Access fee

Enabling any of these in the license profile lets you enter the fee amount directly into the license, and then you would enter 'linked payments' to the receipt for that particular fee. For those not covered by the preset ones, you can enter into the 'other fee' amount, which must also be enabled in the license profile. For example, let's say a vessel has had 2 violations, one for \$5,000 and another for \$1,000. These would be entered into the license details as below:

<b>Applicable Fees:</b>		Currency: <input type="text" value="USD"/>	Other fees <input type="text" value="\$ 6,000.00"/>			
		license fee: <input type="text" value="\$ 7,000.00"/>				
<b>TOTAL FEES DUE:</b>			<b><input type="text" value="\$ 13,150.00"/></b>			
<b>license Number:</b>		license Number: <input type="text" value="D07-00002-L"/>	<input type="button" value="Generate Number"/>			
			Certificate issued: <input type="checkbox"/>			
<b>Payments:</b>	Receipt	Pmt type	Amount	CUR	Local amount	Comments
Note that currency of payment must match fee currency	247	License Fee	7000	USD	\$7,000.00	
	247	Observer Fee	150	USD	\$150.00	
	344	Other fees	5000	USD	\$5,000.00	Violation fee 1
	409	Other fees	1000	USD	\$1,000.00	Violation fee 2
	*					
		Totals	13150		\$13,150.00	

So you would:

- Add all 'other fees' and total them into the other fees box (\$5,000+\$1,000=\$6,000)
- Enter a payment for each of the other fees, with 'pmt type' as other if the payment type is not listed.