

Judgement Loans System (JLS) Operation

Introduction

This system is used to record details of loans where the credit unions has received Judgement from a court. The interest is stopped on the banking system, and the loan is entered into and managed in JLS.

Functions

JLS has the following functions.

- Enter a new Judgement Loan
- Add transactions to the loan (debit or credit)
- Maintain Court Rates
- Calculate interest to date, or a date in the future
- Find and View any Loan with a balance
- Find and View any Loan that has been removed (zero balance)
- Print a statement of a Loan including interest calculation details (for audit purposes)
- Print a schedule of all Loans with balances
- Print a schedule of all Loans with zero balances

Operation

The system has one basic screen that controls and shows all relevant information. The operations section of this procedure uses snap shots of the specific part of the screen required.

Entering a New Loan

Details for New Judgement Loan - Number for Search		
Loan Number	Member Surname	Member First Name
89876L3	BADPAYER	NAUGHTY
Judgement Loan Amount	Effective Date dd/mm/yyyy	Initial Comments - if any
15986.98	25/06/2008	Member refused to pay

Add New Judgement Loan

Enter details required and Click **Add New Judgement Loan**

- The system requires that each field shown above is completed.
- In the Initial Comments field the judgement number could be entered if required.
- The loan number is expected to include an “L” or an “S” related to the loan type.
- When a new loan is added, the system will check to see if that loan is already one the database, and will not allow the exact same loan number to be entered twice.

Entering a Transaction

Details for Transaction to be Added			
Loan Number	Tran Date dd/mm/yyyy	Debit Tran Amount	Credit Tran Amount
89876L3	26/06/2008	320.00	
Transaction Details			
LEGAL FEES			



Enter a Transaction


The Loan Number Can be entered, or will be populated automatically if a Loan is Viewed via the search function (see below).

Enter the relevant details and Click **Enter a Transaction**.


Viewing a Loan

List of Judgement Loans - With Balances		
89876L3	BADPAYER	NAUGHTY

List of Judgement Loans - Zero Balances		



View a Judgement Loan



Finished - Exit

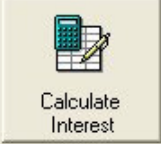
The loan number can be entered into the Loan Number box (where it is entered for New Loans), or the drop down boxes shown here hold details of all Loans, so the loan can be selected from these.

After selection, click **View a Judgement Loan**.

The basic details are displayed, the transactions and any variation in Court Rates is displayed, as follows:

Date	DetailsDate	Debits	Credits	Balance
25/06/2008	Member refused to pay			15,986.98
20/07/2008	Interest Rate to 12.00			15,986.98
28/07/2008	Interest Rate to 13.34			15,986.98

Calculating Interest

Date to Calculate Interest To	
<input type="text" value="30/07/2008"/>	
<input type="button" value="Calculate Interest"/>	

The date to calculate interest to will default to today's date, but can be changed to a date of choosing. Once the date is set, Click **Calculate Interest**.

The interest including details of each calculation is shown, as follows:

Calculation Details	Interest
15,986.98 * 10.50% /365 * 25	114.9749
15,986.98 * 12.00% /365 * 8	42.0479
15,986.98 * 13.34% /365 * 2	11.6858
	168.7086

The full layout looks like this:

Date	Details	Debits	Credits	Balance	Calculation Details	Interest
25/06/2008	Member refused to pay			15,986.98	15,986.98 * 10.50% /365 * 25	114.9749
20/07/2008	Interest Rate to 12.00			15,986.98	15,986.98 * 12.00% /365 * 8	42.0479
28/07/2008	Interest Rate to 13.34			15,986.98	15,986.98 * 13.34% /365 * 2	11.6858
						168.7086

Removing a Loan (Write Off or Collection)

To remove a loan the Interest to the specified date should be entered as a Debit transaction and then the whole balance entered as a Credit transaction, leaving a zero balance.

Printing Details



Once a loan has been obtained from the database for viewing, and interest has been calculated, Click on **Print Statement For this Account**. Microsoft Word is opened and the statement is formatted. It can be saved and or printed, using Microsoft Words normal functions.

The **Print Schedule for Non Zero Accounts** and **Print Schedule for Zero Accounts** work in a similar manner, but obtain each Loan concerned, calculate interest on them, then prepare the Schedule.

Altering the Court Rate



Clicking on the menu Item **Alter Court Rate**, will bring up an input for the date the rate changes from, then the new rate.

This will update the database, and apply that rate to all loans from that date.

End of procedure

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