

Intuit® Academy

Customer and Supplier Processes

intuit.

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CUSTOMER AND SUPPLIER PROCESSES

A key benefit of using QuickBooks is the ability for end users to easily enter in all their customer and supplier information and have quick access to this information which helps control their cash flow.

Customers will be set up from the initial set up process. However please note that for clients that are retail and record daily sales they may have customers listed as days of the week to be able to track their daily sales and run sales reports. QuickBooks allows easy entry of both invoices and retail sales.

Before creating an invoice or sales receipt Items and Services need to be set up. These can be done via the **Item and Service** icon on the main page alternatively from the tool bar **Lists > Item List**. This opens the **Item List** dialogue box.

Name	Description	Type	Account	On Sales Order	U/M	Price
↳ Consultation		Service	Consultancy			25.00
↳ Labour		Service	Labour Charges		hour (hr)	10.00
↳ Linen		Non-stock Part	Linen		square ...	2.00
↳ EC Purch Goods Standard	EC Purch of Goods Standard	VAT Item	2550 - VAT Liability			-20.0%
↳ EC Purch Goods Zero-Rated	EC Purch of Goods Zero-Rated	VAT Item	2550 - VAT Liability			0.0%
↳ EC Purch Services Standard	EC Purch of Services Standard	VAT Item	2550 - VAT Liability			-20.0%
↳ EC Purch Services Zero-Rated	EC Purch of Services Zero-Rated	VAT Item	2550 - VAT Liability			0.0%
↳ EC RC Sales Services	EC RC Sales Services	VAT Item	2550 - VAT Liability			0.0%
↳ EC Sales Goods Standard	EC Sales of Goods Standard	VAT Item	2550 - VAT Liability			0.0%
↳ EC Sales Services Standard	EC Sales of Services Standard	VAT Item	2550 - VAT Liability			0.0%
↳ Exempt Purchases	Exempt Purchases	VAT Item	2550 - VAT Liability			0.0%
↳ Exempt Sales	Exempt Sales	VAT Item	2550 - VAT Liability			0.0%
↳ Not Registered Purchases	Not Registered Purchases	VAT Item	2550 - VAT Liability			0.0%
↳ Not Registered Sales	Not Registered Sales	VAT Item	2550 - VAT Liability			0.0%
↳ Reduced Purchases	Reduced Purchases	VAT Item	2550 - VAT Liability			5.0%
↳ Reduced Sales	Reduced Sales	VAT Item	2550 - VAT Liability			5.0%
↳ Reverse Charge Purch Standard	Reverse Charge Purch Standard	VAT Item	2550 - VAT Liability			-20.0%
↳ Standard Purchases	Standard Purchases	VAT Item	2550 - VAT Liability			20.0%
↳ Standard Sales	Standard Sales	VAT Item	2550 - VAT Liability			20.0%
↳ Zero-Rated Purchases	Zero-Rated Purchases	VAT Item	2550 - VAT Liability			0.0%
↳ Zero-Rated Sales	Zero-Rated Sales	VAT Item	2550 - VAT Liability			0.0%
↳ EC Purch Goods 0% Group	EC Purch of Goods Zero-Rated Group	VAT Group				0.0%
↳ EC Purch Goods 20.0% Group	EC Purch of Goods Group	VAT Group				0.0%
↳ EC Purch Services 0% Group	EC Purch of Services Zero-Rated Group	VAT Group				0.0%
↳ EC Purch Services 20.0% Group	EC Purch of Services Group	VAT Group				0.0%
↳ EC Sales Goods 0% Group	EC Sales of Goods Group	VAT Group				0.0%
↳ Reverse Charge Purch 20.0%...	Reverse Charge Purch Group	VAT Group				0.0%

In QuickBooks, an **Item** is anything that a company buys, sells, or resells to run the business. Items can be products, services, charges like shipping and handling, subtotals and discounts. These are types of items from which to choose.

TYPES OF ITEMS

When creating or editing an **Item** generally the following can be entered:

- **Service** – For services that are either charged for or purchased, such as specialised labour, consulting hours, and professional fees
- **Item Name/Number** – This does not appear on the invoice
- **Description** – This is what the customer will see on the invoice, and can either be set when creating the item or at the invoice stage
- **Rate/Price** – This can be entered if this is a set amount. It can also be over-ridden on the invoice itself.
- **Sales VAT code** – Please note that this will only appear if VAT is switched on. QuickBooks makes it easy to track VAT by assigning a VAT code to each transaction or line item where VAT applies.

The following are codes QuickBooks automatically creates:

Code	Description
E	Exempt
EGS	EC Goods Standard (20.0%)
EGZ	EC Goods Zero-Rated (0%)
ESS	EC Services Standard
ESZ	EC Services Zero-Rated
N	Not Registered
R	Reduced (5%)
RC	Reverse Charge (Carousel/MT...
S	Standard (20.0%)
Z	Zero-Rated (0%)
O	Outside the Scope of VAT

These are recorded on every transaction:

- **Account** – Where this item is posted to in the Chart of Accounts

The screenshot shows the 'Item Setup' dialog box for a 'Service' item. The 'Type' is set to 'Service'. The 'Item Name/Number' is 'Consultancy'. The 'Unit of Measure' is 'U/M'. The 'Rate' is '20.00'. The 'Sales VAT Code' is '\$'. The 'Account' is 'Consultancy'. There are checkboxes for 'Item is inactive' and 'Amts Inc VAT'. A link at the bottom says 'How can I set rates by customers or employees?'.

In QuickBooks Premier there is an additional option to add a **Unit of Measure**. If a unit of measure is added the rate will correspond to that measure — for example if you purchase in cases and then sell single units.

The screenshot shows the 'Unit of Measure' dialog box. It has a title bar 'Unit of Measure'. On the left, there are three icons: 'boxes', 'lbs.', and 'inches'. The main area is titled 'Select a Unit of Measure Type' and contains the text: 'If you don't see the Unit of Measure type you need, select Other to create a new one.' Below this are several radio button options: 'Count (each, box, case, dozen, etc.)', 'Length (inch, foot, yard, meter, etc.)', 'Weight (ounce, pound, kilogram, etc.)', 'Volume (quart, gallon, cubic yard, liter, etc.)', 'Area (square foot, acre, square meter, etc.)', 'Time (minute, hour, day, etc.)', and 'Other'. The 'Next' button is highlighted with a dashed border. There are also 'Back', 'Help', and 'Cancel' buttons at the bottom.

- **Stock** – For goods purchased and tracked as inventory before they are resold. The stock preference must be turned on to see this. We will cover stock in more detail later in the manual.
- **Stock Assembly** – Assembly items allows the user to combine stock items and assembly costs into new, separately trackable items that represent the finished goods that are produced and sold as shown in the screen capture. Basically QuickBooks allows you to indicate what single items go into the final assembled item, then sell the Assembled Item. If you sell an Assembled Item, QuickBooks knows to deduct all the single items that went into that assembled item, from stock.

Type
 Stock Assembly Use for stock items that you assemble from other stock items and then sell.
[What's the difference between a Stock Assembly and a Group?](#)

Item Name/Number Subitem of
 Cupcakes

I purchase this assembly item from a supplier

Unit of Measure
 U/M Set

Cost [What is this cost?](#) **COGS Account**
 5000 · Cost of Good...

Description

Sales Price **Sales VAT Code** **Income Account**
 Cakes

Bill of Materials

Item	Description	Type	Cost	Qty	U/M	Total
Chocolate		Inv Part	0.50	1		0.50
Self Raisi...		Inv Part	0.20	1		0.20
Sugar		Inv Part	1.00	1		1.00
Total Bill of Materials Cost:						1.70

Stock Information

Asset Account	Build Point	On Hand	Average Cost	On P.O.	On Sales Order
1210 · Stock <input type="text"/>	<input type="text"/>	0	0.00	0	0

Item is inactive

 Amt's Inc VAT

- **Non-stock part** – For goods that are purchased but the company doesn't keep in stock (or doesn't want to track stock for). These can include office supplies, and materials that have been bought for a specific customer that you charge back to them.
- **Other Charge** – For miscellaneous labour, materials, etc. such as shipping and handling fees, setup fees, service charges, or late-payment fees.
- **Subtotal** – A Subtotal Item totals all items above on a form, up to the previous total. This is useful in applying a percentage discount or surcharge to the subtotal.

- **Discount** – To subtract a percentage or a fixed amount from a total or subtotal. For example CIS Deductions as shown in the below screen capture. When setting up CIS Deductions it will need to be assigned to an Expense Account and named CIS Deductions.

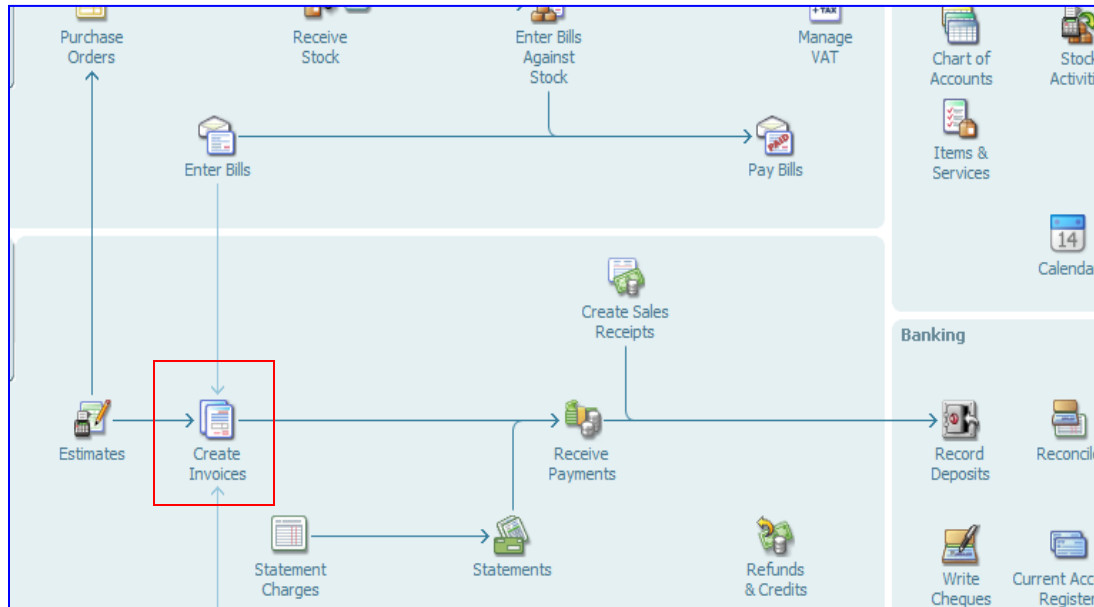
NOTE: Discount is not used to apply an early payment discount, instead use the Receive Payment window for that.

The screenshot shows the 'Discount' setup window. The 'Type' dropdown is set to 'Discount'. The 'Item Name/Number' field contains 'CIS Deductions'. The 'Description' field is empty. The 'Amount or %' field is set to '20.0%'. The 'Account' dropdown is set to 'CIS Deductions'. The 'Sales VAT Code' dropdown is set to 'S'. The 'Discount is applied before sales tax' checkbox is checked. The 'Item is inactive' checkbox is unchecked. On the right side, there are buttons for 'OK', 'Cancel', 'Next', 'Notes', 'Custom Fields', and 'Spelling'.

- **Group** – This is useful for quickly entering a group of individual items that are often sold together. Instead of entering each item individually on an invoice enter the name of the group item. QuickBooks then fills in the details for the items in the group.
- **Payment** – This is to record partial payment for example a deposit that is received at the time of sale and reduces the amount owed on the invoice.
- **VAT Item** – To add additional VAT rates.
- **VAT Group** – Used to calculate and individually track two or more VAT items that apply to the same sale.

INVOICING

Invoices can be created from the main page by clicking on the invoice icon or alternatively from the tool bar **Customers > Create Invoices**.



1. Clicking on **Create Invoices** will open a blank invoice.
2. From the drop down choose the customer to be invoiced. You will also notice at this point that there is an **Add New** function and a customer can also be added in here.

< Add New >		
Jane Brown	Customer:Job	EUR
Jane Green	Customer:Job	GBP
Jim Smith	Customer:Job	GBP
John Smith	Customer:Job	GBP

3. The Invoice date and number are shown on the top right of the invoice and these can be amended if required.

Tax Date	Invoice No
07/03/2012	4

4. The invoice template can also be chosen.

Template

Intuit Professional Invoice ▼

- Attorney's Invoice
- Copy of: Intuit Professional Invoice
- Fixed Fee Invoice
- Intuit Delivery Note
- Intuit Product Invoice
- ✓ Intuit Professional Invoice
- Intuit Service Invoice
- Invoice from Proposal
- Product Invoice Laser Mailer
- Product Invoice2 Laser Mailer
- Progress Invoice
- Service Invoice Laser Mailer
- Time & Expense Invoice

- Information can now be added onto the invoice choosing the item from the drop down, the description – this is what the customer will see, quantity.

NOTE: If a Unit of Measure and Rate/Price has been set for this item these will automatically appear, these can be overridden if needed. The final column records the VAT rate for that item.

Customer: Job
Jane Green

Invoice To
Jane Green

Template: Intuit Professional I...
Print Preview

Tax Date: 08/03/2012
Invoice No.: 2012002

P.O. No.:
Terms: Net 30

Item	Description	Qty	U/M	Rate	Amount	VAT
Consultation	4 hours consultation for corporate event	4		30.00	120.00	5
					Total VAT	20.00
					Total	120.00

Customer Message: [Dropdown]

To be printed
 To be e-mailed
 Amounts include VAT

Add Time/Costs... Apply Credits... Payments Applied: 0.00
 Balance Due: 120.00

Memo: [Text Box]

Save & Close Save & New Clear

- The invoice can be emailed using the **Send** icon or printed and mailed.

CIS INVOICE

For an invoice that requires CIS deductions to be recorded the following would apply:

1. Create the invoice normally (choose the customer, add the date, etc).
2. Enter labour charges in ???
3. Use the **Subtotal** item so the discount only applies to that amount.
4. Enter the **CIS Discount** item as shown in the screen capture displayed earlier in this text (during the discussion of the types of **Items** available in QuickBooks.)
5. Enter in any other charges that are required, i.e. materials.

Customer: Job
Jim Smith

Invoice To
Jim Smith

Tax Date: 08/03/2012
Invoice No.: 2012007

Item	Description	Qty	U/M	Rate	Amount	VAT
Labour		100	hr	12.00	1,200.00	\$
Subtotal					1,200.00	\$
CIS Deduc...				-20.0%	-240.00	\$

BATCH INVOICING

If there is an invoice that needs to be sent to multiple customers a single batch can be created by choosing from the tool bar **Customers > Create Batch Invoices**.

This is especially helpful if a client is a gym, landscape company or children nursery etc., when the same invoice gets sent out each month to many customers. Before Batch Invoicing, these invoices would need to be created one by one; now they can be created once and sent to many customers in one batch.

Step 1 of 3: Select a billing group or choose customers and click **Next**.

Search

Look for in All fields

Search within results

Billing Group

[What is a billing group?](#)

Search Results

Name	Balanc...	Terms
ABC Electronics	0.00	
Jane Green	150.00	Net 30
Jim Smith	0.00	
JMI Cleaning	0.00	
John Jones	0.00	
The Coffee Couch	0.00	

ABC Electronics

2. Review and Create Invoices

Company

Batch Invoice

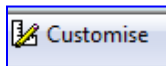
Step 3 of 3: Review the list of invoices to be created for this batch and click **Create Invoices**.

Invoice Date: 08/03/2012

Select	Customer	Terms	Send Method	Amount	VAT Code	VAT	Total	Status
<input checked="" type="checkbox"/>	ABC Electronics		None	100.00		20.00	120.00	OK
<input checked="" type="checkbox"/>	JMI Cleaning		None	100.00		20.00	120.00	OK
<input checked="" type="checkbox"/>	The Coffee Co...		None	100.00		20.00	120.00	OK

Back Next **Create Invoices** Help Cancel

3. The invoice can be customised via the **Customise** icon.



This opens the **Customise** dialogue box where amendments can be made.

Selected Template
Intuit Professional Invoice Manage Templates...

Logo & Fonts
 Use logo Select Logo...

Select Colour Scheme:
Please Select... Apply Colour Scheme

Change Font For:

Title
Company Name
Company Address
Labels
Data
Subtotals Label
Total Label

Change Font...

Company & Transaction Information
 Company Name Phone Number Update Information...
 Company Address E-mail Address
 Fax Number Web Site Address
 Company VAT Registration Number

 Print Status Stamp
This controls whether the status stamp is printed.
e.g. PAID, PENDING, RECEIVED etc.

[How do I apply a design across multiple forms?](#)

Preview

Invoice Title: Bar 2

Customer VAT Reg.	Company VAT Reg.	Tax Date	Invoice No.
		2020/01/01	1

Invoice To: [Empty Box]

Description	Amount	VAT
VAT Summary		
<small>Rate</small>	<small>Customer VAT</small>	<small>Company VAT</small>
TOTALS	0.00	0.00

Subtotal	EUR 0.00
VAT Total	EUR 0.00
Total	EUR 0.00

Print Preview...

Help
Additional Customisation...
Layout Designer...
OK
Cancel

Once you have the invoices the way you want them, you can email, or print them.

RECEIVING PAYMENT FOR AN INVOICE

This can be accessed from the main home page icon or from the tool bar **Customers > Receive Payments**.

1. Enter the payment details.

Customer Payment

Received From: JMI Cleaning Customer Balance: 120.00

Amount: 120.00 Date: 08/03/2012

Pmt. Method: Cheque Cheque #: 100982

Memo: [Where does this payment go?](#)

Process credit card when saving Find a Customer/Invoice...

Date	Number	Orig. Amt.	Amt. Due	Payment
08/03/2012	2012005	120.00	120.00	120.00
Totals		120.00	120.00	120.00

Amounts for Selected Invoices

Amount Due	120.00
Applied	120.00
Discount and Credits Applied	0.00

- When payments have been received they need to be deposited into a bank account. This can be accessed by the **Record Deposits** icon. This opens the **Payment to Deposit** dialogue box.
- Tick the transactions that are to be deposited. By ticking all the transactions this creates one single deposit which will match the total amount deposited into the bank.

Payments to Deposit

Select View
View payment method type: **All types** [What are payment method views?](#)
Sort payments by: **Payment Method**

Select Payments to Deposit

<input checked="" type="checkbox"/>	Date	Time	Type	No.	Payment Method	Name	Amount
<input type="checkbox"/>	23/02/2012		PMT			Jane Green	780.00
<input type="checkbox"/>	08/03/2012		PMT	100982	Cheque	JMI Cleaning	120.00

0 of 2 payments selected for deposit **Payments Subtotal 0.00**

Select All Select None

OK Cancel Help

RECORDING DAILY SALES

Sales Receipts will record daily sales or sales that do not have an invoice raised against them. This can be accessed by the **Sales Receipt** icon on the main home page or from the tool bar **Customers > Sales Receipts**.

Enter sales information in the same way an invoice was recorded.

NOTE: This is where a day of the week could replace a customer name.

Customer: Job
Monday

Sales Receipt

Sold To
Monday

Template: Print Preview
Custom Sales Receipt

Tax Date: 08/03/2012 Sale No.: 106

Cheque No.: Payment Method:

Item	Description	Qty	U/M	Rate	VAT	Amount
Coffees				1,000.00	S	1,000.00
Cakes				0.00	S	679.90
				Total VAT		166.67
				Total		1,000.00

Customer Message: [Dropdown]

To be printed To be e-mailed
 Amounts include VAT

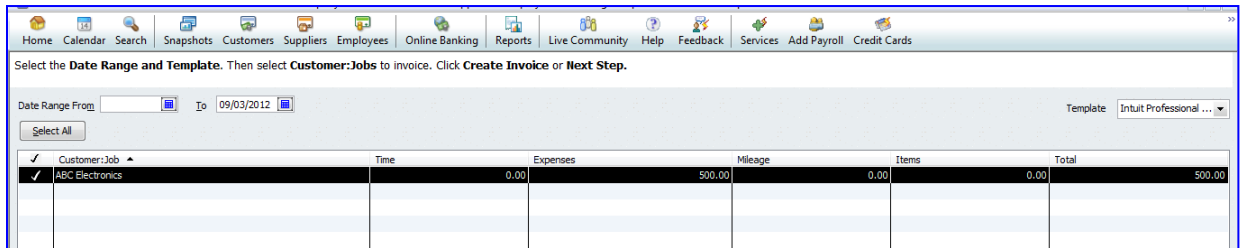
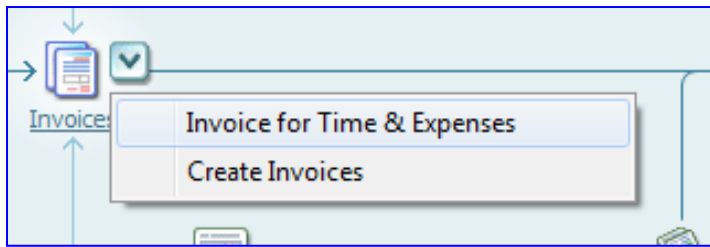
Memo: [Text Field]

Add Time/Costs... Process credit card payment when saving

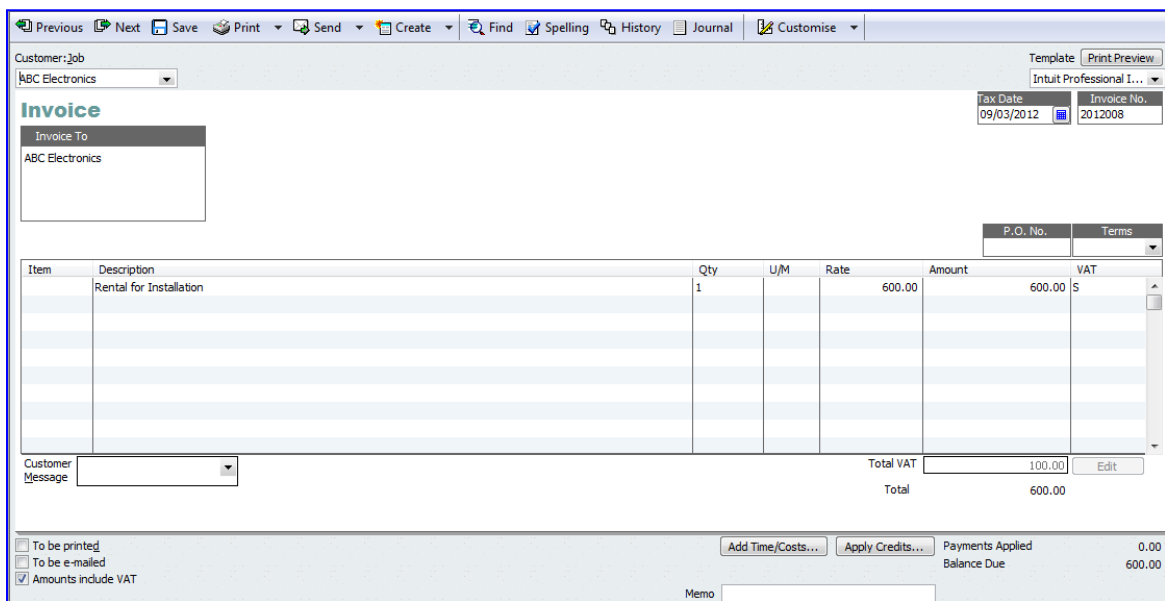
Save & Close Save & New Clear

This would then be recorded as a deposit into the appropriate bank account.

- These can then be added to the customer invoice by choosing to create an **Invoice for Time & Expense**.



This will automatically create the invoice and additional items can then be added.



To PAY SUPPLIER INVOICES

Use the **Pay Bills** icon from the main home page or **Suppliers > Pay Bills**. This will open the Pay Bills dialogue box.

Select Bills to be Paid

Show bills Due on or before 19/03/2012 Show all bills

Filter By All suppliers

Sort By Due Date

<input checked="" type="checkbox"/>	Date Due	Supplier	Ref. No.	Disc. Date	Amt. Due	Disc. Used	Credits Used	Amt. To Pay
<input type="checkbox"/>	08/04/2012	Costa			600.00	0.00	0.00	0.00
<input type="checkbox"/>	08/04/2012	Telephone			81.48	0.00	0.00	0.00
Totals					681.48	0.00	0.00	0.00

Select All Bills

Credit Information for Highlighted Bill

Supplier

Bill Ref. No.

Go to Bill

Terms

Sugg. Discount 0.00

Set Discount

Number of Credits 0

Total Credits Available 0.00

Set Credits

Payment

Date 09/03/2012

Method Cheque

To be printed

Assign cheque no.

Account BBA

Ending Balance 1,050.00

Bills to be paid are ticked with payment details recorded at the bottom of the screen.

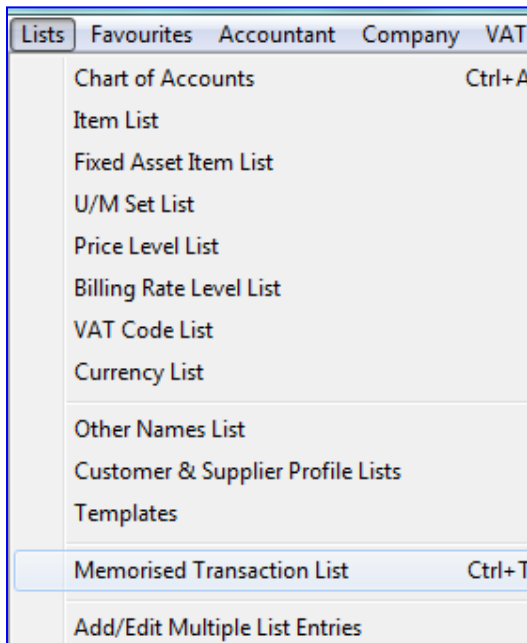
NOTE: Users have the option of using pre printed cheques. Alternatively they can record their own cheque number or chose a different payment method.

As with supplier invoices, payments can also be assigned and recorded as billable to a customer.

If this transaction is a direct debit or standing order this transaction can be memorised.

1. Fill in the cheque as usual. Go to **Edit** in the menu bar and select **Memorise Cheque**.
2. Enter a name for the memorised transaction and fill in the details, give the transaction a name. Choose **Automate Transaction Entry** for it to be entered automatically or select **Add to my Reminders List** if it is not to be automatically entered. This is useful for regular payments that are a variable amount. Enter frequency of payment and amount.

If this payment has been added to the Memorised Transaction List, these can be viewed and recorded from the tool bar **Lists > Memorised Transaction List**.



Transaction Name	Type	Source Account	Amount	Frequency	Auto	Next Date
•NW Utilities	Cheque	BBA	120.00	Monthly		23/03/2012
•Rent	Cheque	BBA	500.00	Monthly		09/03/2012
•Telephone	Cheque	BBA	68.28	Monthly		09/03/2012

STOCK

Please note this option will only be available if the Stock function is switched on. If it isn't this can be changed from the tool bar **Edit > Preferences**.

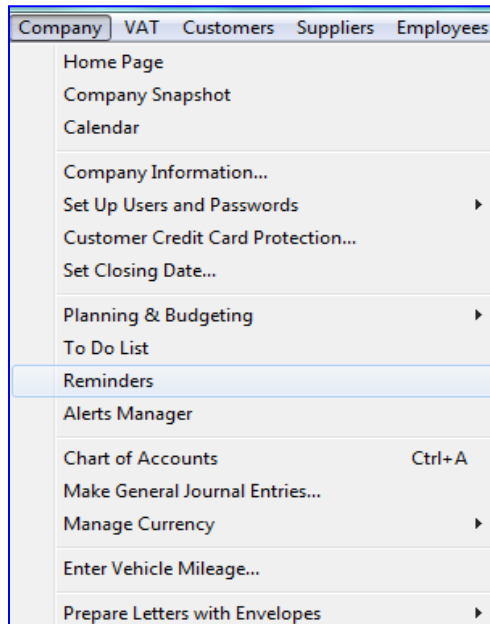
When setting up items they must be recorded as Stock items.

1. Enter the **Item Name/Number**, **Description**, and in the **Purchase Information** section, enter the Net **Cost** price to the company and the **VAT code**. If the purchase price includes VAT, then ensure the **Amts Inc VAT** box is ticked.

NOTE: This needs to be ticked before entering the amount in. A preferred supplier can be entered if applicable

2. In the **Sales Information** section, enter the **Price** it sells for, the **VAT Code** and the **Income Account** it is to be posted against in the Chart of Accounts.

- In the **Stock Information**, enter the amount of stock **On Hand** as well as the **Reorder Point**. The Reorder Point is the moment that QuickBooks will set a reminder to order more. The reminder will appear in the tool bar **Company > Reminders**.



The Item List will now have two additional columns: **Total Quantity On Hand** and **On Sales Order**.

Name	Description	Type	Account	Total Quantity On Hand	On Sales Order	U.	Price	Colour
◊ Cons...		Ser...	4790 • S...				10.00	
◊ Openi...		Ser...	3000 • S...					
◊ Bread		Sto...	Bakery	0	0		1.25	
◊ Choc...		Sto...	Food	740	0		1.00	
◊ Self...		Sto...	Food	070	0		0.00	

When an invoice or sales receipt is recorded the quantity that is sold will automatically change the figure On Hand.

ORDERING STOCK

1. Enter either a bill, or generate a Purchase Order. The stock levels within QuickBooks won't change until it is recorded that the items have been received.

Supplier: The Bakery

Drop Ship To: [Empty]

Supplier: The Bakery

Tax Date: 12/03/2012

P.O. No.: 1

Ship To: Fabulous Events

Item	Description	Qty	U/M	Rate	Customer	VAT	Amount
Bread	Loaves	200		0.50		S	100.00
						Total VAT	20.00
						Total	120.00

Supplier Message: [Empty]

To be printed To be e-mailed

Amounts include VAT

2. When the items are recorded as received (either with or without the bill), a prompt appears that there is an open Purchase Order against that supplier.
3. Select **Yes** and then put a tick in the left hand column next to the open Purchase Order in the list. The details of the purchase order will appear and can be altered if only part of the stock has arrived.

NOTE: If a Purchase Order is not being used and it is just the bill that is being entered the **Items** tab will need to be selected and not **Expenses**.

Bill Received

Supplier: The Bakery

Date: 12/03/2012

Address: The Bakery

Ref. No.: [Empty]

Amount Due: 60.00

Bill Due: 22/03/2012

Terms: [Empty]

Memo: [Empty]

Expenses: £0.00

Items: £50.00

Item	Description	Qty	U/M	Cost	Tax	Amount	Customer:Jo
Bread	Loaves	100		0.50	S	50.00	

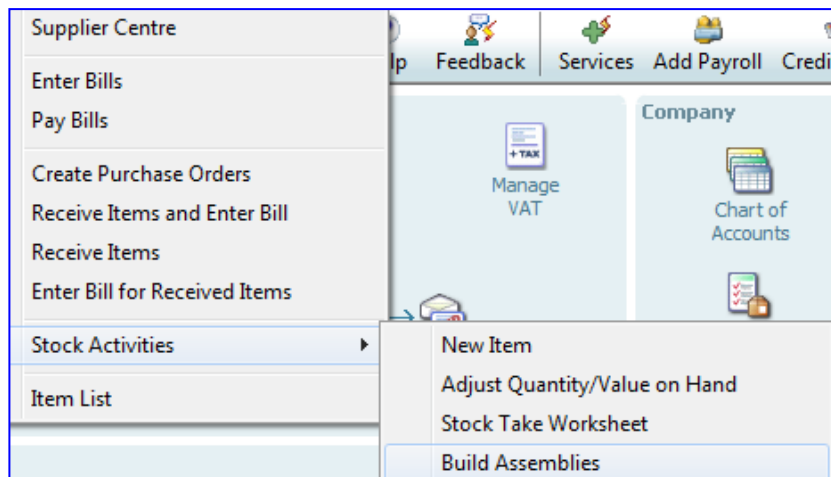
The Stock on Hand will now automatically change.

Name	Description	Type	Account	Total Quantity On Hand	On Sales Order
◊ Consultation		Service	Consultancy		
◊ Labour		Service	Labour Charges		
◊ Bread		Stock Part	Bread	100	
◊ Cakes		Non-stock Part	Cakes		

STOCK ASSEMBLY BUILDS

After a stock assembly item has been created, the way to add assembly items to stock is by "building" them. When an assembly build has been performed, the assembly's components are deducted from stock and the quantity of assembly items is increased accordingly.

1. From the main home page click on the **Stock Activities** icon > **Build Assemblies** alternatively from the tool bar **Suppliers** > **Stock Activities** > **Build Assemblies**.



ADJUSTING STOCK QUANTITY ON HAND

Although QuickBooks automatically adjusts the stock quantities after every purchase and sale, they may need to be adjusted manually from time to time. This may be due to fire, theft, breakage or stock assembly items that have been disassembled.

When a quantity is adjusted, QuickBooks assumes that the average cost of the item remains the same and adjusts the value accordingly. For example, if the average cost is £10 and the quantity is reduced by 2, QuickBooks reduces the value of the items on hand by £20.

Adjusting stock can be accessed by from the main **home** page >**Stock Activities** icon > **Adjust Quantity/Stock On Hand** alternatively from the tool bar **Suppliers** > **Stock Activities** > **Adjust Quantity/Stock On Hand**. This opens the **Adjust Quantity** dialogue box.

1. Either the Quantity, Total or both can be recorded. Adjustment Account – please note an income or expense account will need to be added to post the adjustment to for example Expense account for stock losses, or Income account for stock gains.
2. Click on **Find & Select Items**. This opens up a dialogue box where stock items can be selected by putting a tick next to them.

The screenshot shows the 'Adjust Quantity/Stock On Hand' dialog box in QuickBooks. The 'Adjustment Type' is set to 'Quantity', the 'Adjustment Date' is '12/03/2012', and the 'Adjustment Account' is 'Stock Losses'. The 'Reference No.' is '1'. A 'Find & Select Items' sub-dialogue is open, displaying a table of stock items with their current quantities on hand.

Item	Type	Description	Qty On Hand
<input checked="" type="checkbox"/> Bread	Stock Part		0
<input type="checkbox"/> Chocolate	Stock Part		740
<input type="checkbox"/> Self Raising Flour	Stock Part		970
<input type="checkbox"/> Sugar	Stock Part		980
<input type="checkbox"/> Cupcakes	Stock Assembly		210
<input type="checkbox"/> Flour	Stock Assembly		0

At the bottom of the 'Find & Select Items' dialog, there are buttons for 'Select All', 'Clear All', 'Include inactive', 'Add Selected Items', and 'Cancel'. The status '0 Items Selected' is shown at the bottom right of the dialog.

VAT

As we saw earlier QuickBooks keeps track of VAT owed on sales, and VAT that can be reclaimed on purchases. VAT details can be accessed from the **Manage VAT** icon on the main home page or alternatively from the tool bar **VAT > Manage VAT**.

VAT Accounts and Payments
Click the Pay Now icon, or View to make payments and see VAT reports.

Show balances as of: Today End of last period

Agency	Accounts	Amount	As Of	Pay Now	Summary Report	Detail Report	Exception Report
HMRC VAT	VAT Liability	4.70	12/03/2012		View	View	View

VAT Adjustments
Change the VAT you owe:

- [Make interim VAT payments](#)
- [Claim bad debt relief](#)
- [Adjust for change in use of capital goods](#)
- [Claim VAT paid before registration](#)
- [How to adjust your VAT Return for Fuel Scale Charges](#)
- [Make other adjustments](#)

VAT Codes and Rates
Click a VAT code in the table below to view its VAT rates. Click Change VAT Setup to make changes.

VAT Codes

Code	Description
E	Exempt
EGS	EC Goods Standard (20.0%)
EGZ	EC Goods Zero-Rated (0%)
ESS	EC Services Standard
ESZ	EC Services Zero-Rated
N	Not Registered
R	Reduced (5%)
RC	Reverse Charge (Carousel/MT...)
S	Standard (20.0%)
Z	Zero-Rated (0%)
O	Outside the Scope of VAT

VAT Sales Items

Name	VAT Rate
Standard Sales	20.00

VAT Purchase Items

Name	VAT Rate
Standard Purchases	20.00

Your VAT 100 (UK) Return

Box	Description
1	VAT due on sales and other outputs
2	VAT due on acquisitions from overseas
3	Total output VAT due
4	VAT reclaimed on purchases
5	Net VAT to pay (or reclaim)
6	Total net value of sales
6	Total net value of EC sales of goods
6	Total net value of EC purchases
6	Total net value of Reverse Charge
7	Total net value of purchases
8	Total net value of supplies to overseas

VAT Setup
Make changes to your VAT codes and corresponding VAT rates:

View and edit VAT codes for Items, Suppliers, and Customers:

Common questions:
[Why is there a negative rate in the EC and RC codes?](#)

1. VAT adjustments can be made by clicking on **Adjust VAT Owing** this will open up the dialogue box.

Adjustment Date: 12/03/2012

Entry No.: 5

VAT Agency: HMRC VAT

VAT Item:

VAT Line:

VAT Account:

[What account should I pick?](#)

Adjustment Account:

Amount: Increase VAT line Decrease VAT line


Memo: VAT Adjustment

To file a VAT return in QuickBooks, choose **Pay Now** this will open up the **File VAT** box.

NOTE: Reports can also be accessed by clicking on the appropriate link.

VAT Accounts and Payments Show balances as of:
 Today End of last period

Click the Pay Now icon, or View to make payments and see VAT reports.

Agency	Accounts	Amount	As Of	Pay Now	Summary Report	Detail Report	Exception Report
HMRC VAT	VAT Liability	4.70	12/03/2012		View	View	View


2. To file the return click **File Return**.

VAT Agency: HMRC VAT Dates: **This Month-to-date**
From: 01/03/2012 To: 12/03/2012

Your Calculated VAT Return

VAT Description	Box	Amount	Balance
VAT due on sales and other outputs	1	571.70	
VAT due on acquisitions from other EC Member States	2	63.00	
Total output VAT due	3		634.70
VAT reclaimed on purchases	4	630.00	
Net VAT to pay (or reclaim)	5		4.70
Total net value of sales	6	4,388.54	
Total net value of purchases	7	3,150.00	
Total net value of supplies to other EC Member States	8	1,530.02	
Total net value of acquisitions from other EC Member States	9	315.00	

[Adjust Return](#)
[Print Return](#)

 **Your VAT return is ready to file**

Amount you owe in VAT [How is this calculated?](#) **GBP 4.70** [File Return](#)

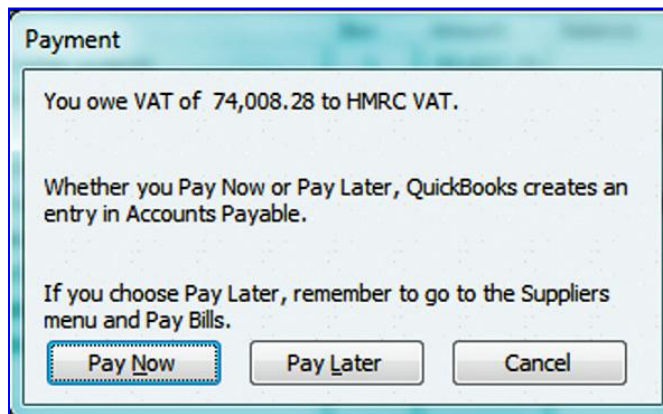
This can be filed online to HMRC or by another method.

If a refund from HMRC is due, after completing the return QuickBooks will then automatically create an invoice for the refund amount. When the money is received from HMRC, this is recorded as any customer payment is via the **Receive Payment** icon.

If there is an amount owing, QuickBooks creates a bill (with HMRC VAT as the supplier). This can then be recorded to pay the bill right away or later on.

Press **Pay Now** or **Pay Later** to see the final confirmation message that the transactions in QuickBooks are being filed.

If the choose to **Pay Later** option has been selected, once it has been paid this will be recorded via the **Suppliers Centre**.



QuickBooks then closes the period covered by the return. If anyone attempts to edit a transaction from that closed period, they will be notified. The administrator can still make changes, and the difference will be accounted for in the next VAT return.