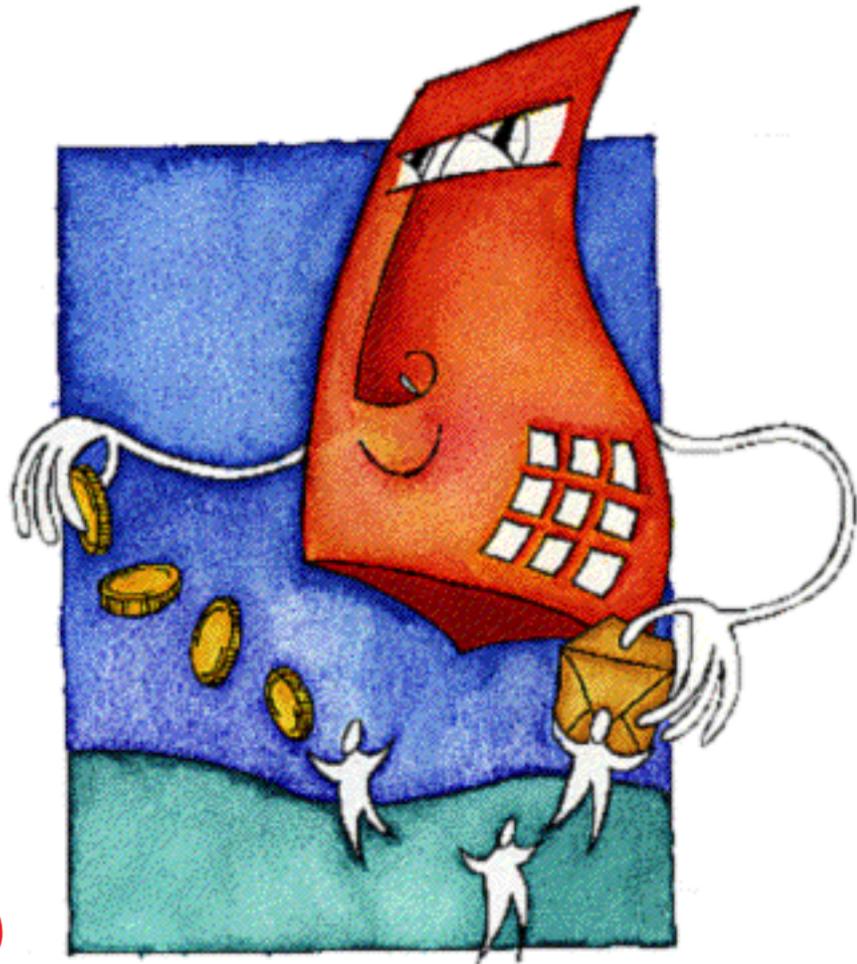


# Sales Transactions

8



## Introducing Sales Transactions

This chapter examines how to enter the transactions which record and analyse your business income. Before you can produce any Sales transactions you should have...

- Created a General Ledger account structure.
- Set up a Sales Allocation structure.
- Entered at least one customer.

In Bottom Line, the process of preparing a sales transaction is:

1. Locate the customer icon (or name) and single click to select it.
2. Choose the transaction you require from the Sales menu...



Each time you post a transaction to a customer account, the current balance is increased or decreased accordingly. Using this information, a variety of reports can be produced enabling you to keep track of the amounts owing and amounts received.

Having entered one or more transactions, the sales details can then be posted to the General Ledger to update the Balance Sheet and Profit & Loss Account. [Posting to the General Ledger](#) is described at the end of this chapter - however, let's start by looking at the actual sales transactions themselves...



### First find your customer

The customer database can be organised hierarchically as described in [Chapter 7](#) to assist the process of locating an individual customer. However, you may prefer to locate a customer by name using the Find command from the Edit menu as described in [Chapter 19](#).

## Sales Invoices

In the Sales Ledger window, double click the category containing the relevant customer account...



From the open category window, locate and single click the customer account icon (or name) to select it...



Each time you complete a sale, you need to create a permanent record itemising what the customer has bought, the trade discount to be deducted (if applicable), the total amount owing and when the customer should pay.

These details are documented and printed to produce an **invoice**. The invoice can then be printed for the customer — and a printed copy retained for your files.

To record a sale, create a sales invoice using the steps described on this page.



EITHER, choose Enter Invoice from the Sales menu to display an Invoice window for the customer...

...OR, press ⌘-I instead.

**Sales Invoice**

**Graciosa**

Invoice No:  *Invoice*

Purchase Order No:

Invoice Date:  Tax Point (Delivery Date):

Delivery Address:

Message:

You will see the Invoice window for the selected customer account – [turn the page](#) to find out how to complete the details.

## Entering the Invoice Details

This is how you complete an invoice...

**Invoice No:** For auditing purposes, an internal filing number is automatically assigned to this invoice. Only edit this number in exceptional circumstances.



### Chaos in the filing department

While you are able to overwrite the Invoice number, you should take care not to upset the numbering sequence for previous and future invoices. If, for any reason, the automatic invoice number has fallen out of step, you can open the [Account Details panel](#) from the Sales menu and reset the number from which the next invoice will start.

**Sales Invoice**

**Graciosa**

Invoice No:  *Invoice*

Purchase Order No:

Invoice Date:  Tax Point (Delivery Date):

Delivery Address:

Message:

**Purchase Order No:** Enter the customer's purchase order number (if applicable). This will enable you to match this sales invoice to the original order.

## Entering the Invoice Details (continued)

**Invoice Date:** Enter the date on which this invoice takes effect. This entry, once saved, is used with the number of days in Payment Terms (taken from the customer's [account details](#)) to calculate when payment is due. This date is also used to calculate the Early Settlement dates.



### A Taxing Point

When accounting for VAT, it is important that you record the date on which the supply of goods or services actually takes place. Unless you are operating a Cash Accounting scheme, it is on this date - the **Tax Point** - that you become liable for the VAT charged to your customer. Enter this date as described below.

**Sales Invoice**

**Graciosa**

Invoice No:

Purchase Order No:

Invoice Date:  Tax Point (Delivery Date):

Delivery Address:

Message:

*Invoice*

**Tax Point:** For your VAT records, enter the date on which the goods and/or services were supplied to this customer.

**Delivery Address:** You can edit the address details automatically recalled from this customer's account.

**Message:** If required, enter a message to be included on the customer's invoice.

## The Invoice Items

The remainder of this window consists of 25 lines in which you can fully itemise each transaction. For each line...

**Code:** Enter the analysis code which maps this item to the correct Revenue account in the General Ledger (and maps it to the relevant revenue analysis category within the Sales Ledger). If you have not set up these Sales Analysis codes turn to [Chapter 6](#).



### More about analysis codes

To help you remember which analysis codes to use, you can print a list as described in the [next chapter](#). You can also open the [Sales Analysis window](#) to display the list of codes, or use the [Find command](#) from the Edit menu as described in [Chapter 19](#).

**Sales Invoice**

**Graciosa**

Invoice No:  *Invoice*

Purchase Order No:

Invoice Date:  Tax Point (Delivery Date):

Delivery Address:

Message:

Totals				
Goods	Discount	Cost	VAT	Total
0.00	0.00	0.00	0.00	0.00
Early settlement discount of			0.00 if paid by	<input type="text" value="15-Aug-1997"/>

Code	Description	Quantity	Unit price	Discount	Total	VAT	EC
9	Fees - Dept 4					0.00	<input checked="" type="checkbox"/>
							<input checked="" type="checkbox"/>
							<input checked="" type="checkbox"/>
							<input checked="" type="checkbox"/>
							<input checked="" type="checkbox"/>

When you click inside (or tab to) the next entry box, Bottom Line displays the description and any preset values that you entered when setting up this code. [Turn the page](#) for more information about completing these entries...

## The Invoice Items (continued)



### Cut the Typing

If you regularly invoice certain items, why not use the Preset Values described in [Chapter 6](#) For example, if you regularly supply Widgets, you can preset the description to “Widgets, small - part #10632”, the Unit Price to £1.26, the Trade Discount to 20% and VAT to Standard Rate. This would only leave the task of typing the quantity — which you can also preset if appropriate!

If necessary, edit the pre-supplied code **description** or replace it altogether. You can enter a description which is longer than the actual entry box or you can use additional lines. The final presentation of the invoice can be checked using the [Preview](#) facility.

By the way, do not worry if your invoice does not include the **EC** check boxes shown in our example. This option only appears when invoicing EC customers as described towards [the end of this section](#).

Sales Invoice

**Graciosa**

Invoice No:  Invoice

Purchase Order No:

Invoice Date:  Tax Point (Delivery Date):

Delivery Address: Palau Milla  
Plaza de Catalunya  
Barcelona  
Spain

**Message:**  
The provision of materials includes a trade discount of 10%

Totals				
Goods	Discount	Cost	VAT	Total
8519.75	319.75	8200.00	0.00	8200.00
Early settlement discount of			410.00	If paid by <input type="text" value="15-Aug-1997"/>

Code	Description	Quantity	Unit price	Discount	Total	VAT	EC
9	Prepare architectural drawings (hrs)	16.00	35.00		560.00	5	<input type="checkbox"/>
9	Attend project meeting (hrs) - London	4.00	45.00		180.00	5	<input type="checkbox"/>
8	Supply of materials		3197.45	10.00	2877.70	5	<input checked="" type="checkbox"/>
14	Undertake restoration work (hrs)	85.00	45.00		3825.00	5	<input type="checkbox"/>
15	Expenses including travel & hotel		757.30		757.30	5	<input type="checkbox"/>

Similarly, enter (or edit) the **quantity** of this item - up to two decimal places. The quantity may be left blank.

## The Invoice Items (continued)



## Invoicing by instalments

If you are invoicing for goods or services that your customer has arranged to pay by instalments then you should prepare an invoice for each instalment. This will facilitate the allocation of payments for each amount received (as described [later in this chapter](#)).

Use this box to enter (or edit) the value of one **unit** of this item, excluding VAT or any trade discount. If you have not specified a quantity, you should enter the total net value of this item.

If you are offering a trade discount on this item, enter the **discount** to be applied as a percentage.

*Invoice*

**Graciosa**

Invoice No:

Purchase Order No:

Invoice Date:  Tax Point (Delivery Date):

Delivery Address:

**Message:**

The provision of materials includes a trade discount of 10%

Totals				
Goods	Discount	Cost	VAT	Total
8519.75	319.75	8200.00	0.00	8200.00
Early settlement discount of			410.00 if paid by	<input type="text" value="15-Aug-1997"/>

Code	Description	Quantity	Unit price	Discount	Total	VAT	EC
9	Prepare architectural drawings (hrs)	16.00	35.00		560.00	5	<input type="checkbox"/>
9	Attend project meeting (hrs) - London	4.00	45.00		180.00	5	<input type="checkbox"/>
8	Supply of materials		3197.45	10.00	2877.70	5	<input checked="" type="checkbox"/>
14	Undertake restoration work (hrs)	85.00	45.00		3825.00	5	<input type="checkbox"/>
15	Expenses - including travel & hotel		757.30		757.30	5	<input type="checkbox"/>

If necessary, replace the pre-supplied VAT code with one applicable to this item (in this example the code for Exempt for a sale to an EC country).

## The Invoice Items (continued)

When you enter an invoice item, Bottom Line displays the preset VAT code taken from the [VAT Details](#) panel — or, replaces it with one you have specified for this [analysis code](#).

## European Sales

If you are invoicing a customer who is based in another EC member state, an **EC** check box appears at the end of each analysis line. These check boxes enable you to identify which items are goods which should therefore be included on your [EC Sales List](#) — as opposed to services which should be excluded from the list. If you have already set the [EC Goods/Services](#) option for an analysis code, Bottom Line selects/deselects the check box for you. Alternatively, you can manually check those items for inclusion on the EC Sales List as described here...

Invoice

**Graciosa**

Invoice No:

Purchase Order No:

Invoice Date:  Tax Point (Delivery Date):

Delivery Address:

**Message:**

The provision of materials includes a trade discount of 10%

Totals				
Goods	Discount	Cost	VAT	Total
8519.75	319.75	8200.00	0.00	8200.00
Early settlement discount of			410.00 if paid by	<input type="text" value="15-Aug-1997"/>

Code	Description	Quantity	Unit price	Discount	Total	VAT	EC
9	Prepare architectural drawings (hrs)	16.00	35.00		560.00	5	<input type="checkbox"/>
9	Attend project meeting (hrs) - London	4.00	45.00		180.00	5	<input type="checkbox"/>
8	Supply of materials		3197.45	10.00	2877.70	5	<input checked="" type="checkbox"/>
14	Undertake restoration work (hrs)	85.00	45.00		3825.00	5	<input type="checkbox"/>
15	Expenses - including travel & hotel		757.30		757.30	5	<input type="checkbox"/>

Select the **EC** check box if the item represents GOODS sold to a customer in another EC member state... ..or deselect the box if the item is a service.

## Early Settlement Discount

If you have allowed an Early Settlement discount for this customer, Bottom Line uses the details to specify the amount to be deducted and suggests a date by which the customer should pay the invoice in order to qualify for this discount. If the displayed date is incorrect, edit it in the usual way. To create the Early Settlement facility for this customer, turn to [Chapter 7](#).



### VAT and Early Settlement Discounts

When Early Settlement Discounts are used there is a special dispensation in accordance with VAT regulations. This dispensation allows you to charge VAT on the total after the Early Settlement Discount has been deducted.

As a result, you may notice that the VAT amount is lower than you would otherwise expect.

This dispensation holds good even if the customer does not take advantage of the discount.

**Sales Invoice**

**Harwood Estate**

Invoice No:  *Invoice*

Purchase Order No:

Invoice Date:  Tax Point (Delivery Date):

Delivery Address:

Message:  
 The provision of materials includes a trade discount of 10%

Totals				
Goods	Discount	Cost	VAT	Total
8519.75	319.75	8200.00	1148.00	9348.00
Early settlement discount of			410.00	If paid by <input type="text" value="15-Aug-1997"/>

Code	Description	Quantity	Unit price	Discount	Total	VAT
9	Prepare architectural drawings (hrs)	16.00	35.00		560.00	1
9	Attend project meeting (hrs)	4.00	45.00		180.00	1
9	Supply of materials		3197.45	10.00	2877.70	1
14	Undertake restoration work (hrs)	85.00	45.00		3825.00	1
15	Expenses - including travel & hotel		757.30		757.30	1

Total Early Settlement Discount appears here.

If necessary, edit the qualifying date for any Early Settlement discount offered.

## Completing the invoice

Repeat these steps to enter each remaining item. As you complete each item, notice that the program displays the relevant **Totals** for the items entered so far - these include...

- Goods:** The total amount of goods, excluding VAT and any trade discounts.
- Discounts:** The total discount amount deducted from the total goods value.
- Cost:** The total net cost to the customer.
- VAT:** The total amount of VAT to be charged to the customer.
- Total:** The total amount to be invoiced.

**Sales Invoice**

**Harwood Estate**

Invoice No:  *Invoice*

Purchase Order No:

Invoice Date:  Tax Point (Delivery Date):

Delivery Address: Harwood House  
Great Harwood  
Gloucestershire  
BL28 5PQ

Message:  
The provision of materials includes a trade discount of 10%

Totals				
Goods	Discount	Cost	VAT	Total
6519.75	319.75	6200.00	1148.00	9348.00
Early settlement discount of			410.00	if paid by <input type="text" value="15-Aug-1997"/>

Code	Description	Quantity	Unit price	Discount	Total	VAT
9	Prepare architectural drawings (hrs)	16.00	35.00		560.00	1
9	Attend project meeting (hrs)	4.00	45.00		180.00	1
0	Supply of materials		3197.45	10.00	2877.70	1
14	Undertake restoration work (hrs)	65.00	45.00		3025.00	1
15	Expenses - including travel & hotel		757.30		757.30	1

Preview Batch Print Ignore

Notice that for a UK or non-EC customer the EC Goods check boxes do not appear.

Click here to preview the invoice on screen (described [over the page](#)).

## Previewing the Invoice

Once you have completed the invoice details, you are able to preview the way it will look when printed and return to the Invoice window again.

To do this, **Tab away from the current input field** and click the Preview button. [Turn the page](#) to see an example invoice...

Having checked the preview, click the close box in the top left corner of the Preview window to return to the Invoice window. You are then able to make any changes that you require to the invoice details.



### Delivery Notes and Copy Invoices

When preparing an invoice, you have the option to create and print a Delivery Note along with the Invoice.

In addition you can prepare a Copy Invoice for your files. This Copy Invoice shows the Sales Analysis codes and EC Sales status which are omitted from the normal customer copy.

Turn to the section on **Report Options** in [Chapter 5](#) for more information. You can use these Report Options for Previews as well as Printing.

**Report Options**

Report date: **8-Sep-1997**

All departments    Department: **No Depart...**

Show zero balance accounts     Show Commas

Show Detail     Show Pence

Show last year's figures     Customer Invoice

Show this period     Delivery Notes

Show budget     Copy Invoice

Show unreconciled only     Pre-Printed Form

Totalling: **Normal**

Margins: Top **0.00** in    Bottom **0.00** in

**Cancel**    **OK**

Check which pages are appropriate for each invoice.

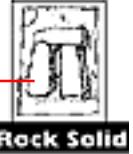
### Invoice Example

Business name, address and telephone number

Customer address — positioned for window envelope

The message entered for this invoice

Logo shown here when it is pasted into Preferences panel.



## Rock Solid Limited

The Old Quarry,  
Hillfield,  
Borchester, BC9 2ZY.

Tel: 01234 567890

VAT REG No. GB 678 4030 03

**INVOICE TO**

Harwood Estate  
Harwood House  
Great Harwood  
Gloucestershire  
BL28 5PQ

For Attention: George Bales

### SALES INVOICE

INVOICE No. 526

ORDER No. 07/97/162

INVOICE DATE 31-Jul-1997

TAX POINT 31-Jul-1997

CUSTOMER VAT REG No. GB 221 6342 21.

The provision of materials includes a trade discount of 10%

Description	Quantity	Unit Price	Discount	Net Value	VAT%
Prepare architectural drawings (hrs)	16	35.00		560.00	17.50
Attend project meeting (hrs)	4	45.00		180.00	17.50
Supply of materials		3197.45	319.75	2877.70	17.50
Undertake restoration work (hrs)	85	45.00		3825.00	17.50
Expenses — including travel & hotel		757.30		757.30	17.50

**DELIVERED TO**

As Invoiced

TOTAL GOODS	8519.75	
LESS DISCOUNTS	319.75	
TOTAL NET	8200.00	
Discount of 5.00% if paid by 15-Aug-1997	410.00	
TOTAL VAT	1363.25	
<b>Total if paid by 15-Aug-1997</b>	<b>£ 9153.25</b>	
<b>Total if paid after 15-Aug-1997</b>	<b>£ 9563.25</b>	

Preset message showing agreed terms for this customer Our Settlement terms are strictly 30 days

14 day Early settlement discount

#### Reduced Detail

The discount total and Early Settlement details are only included when they apply — otherwise the total area is left uncluttered. For the same reason the invoice only includes one Total payable when there is no Early Settlement Discount.

## Posting the Invoice

Once you have completed the invoice and checked its contents using the [Preview](#) facility, it is ready for posting. This is done by either printing or batching the invoice as shown here.

**Print:** This button lets you print the invoice immediately (along with delivery note and copy invoice if needed). When you click the Print button, the program displays a Report Options described in [Chapter 5](#). Chapter 5 also explains how you can select different [fonts](#) to enhance the final presentation of the invoice; and how to [select the correct printing device and page setup](#).

**Batch:** Alternatively, you can store this invoice for printing at a more convenient time — along with any other batched invoices. Batching is a useful labour saving device when you need to print several invoices since you only set the report options and perform the Print command once for the entire batch. Turn to [Chapter 9](#) to look into printing of invoice batches.

*Invoice*

**Harwood Estate**

Invoice No:

Purchase Order No:

Invoice Date:  Tax Point (Delivery Date):

Delivery Address: Harwood House  
Great Harwood  
Gloucestershire  
BL28 5PQ

Message:  
The provision of materials includes a trade discount of 10%

Totals				
Goods	Discount	Cost	VAT	Total
6519.75	519.75	6200.00	1148.00	9348.00
Early settlement discount of			410.00	if paid by <input type="text" value="15-Aug-1997"/>

Code	Description	Quantity	Unit price	Discount	Total	VAT
9	Prepare architectural drawings (hrs)	16.00	35.00		560.00	1
9	Attend project meeting (hrs)	4.00	45.00		180.00	1
0	Supply of materials		3197.45	10.00	2877.70	1
14	Undertake restoration work (hrs)	65.00	45.00		3025.00	1
15	Expenses - including travel & hotel		757.30		757.30	1

Preview Batch Print Ignore

Click here to erase the invoice.

## Posting the Invoice (continued)

Having instructed Bottom Line to print or batch the invoice...

- The customer's account balance is increased by the total amount invoiced.
- The relevant sales analysis categories are increased by the net value of each item.
- Unless you are operating a Cash Accounting VAT scheme, Bottom Line updates the VAT amounts from which your VAT Return figures will be derived.
- The invoice transaction is queued in readiness for posting to the General Ledger.

You can now continue to enter other invoices in the same way.

When you have finished, turn to the end of this chapter to find out how you can [post these transactions to the General Ledger](#).

## Sales Credit Notes

There may be times when you need to offer a customer a rebate - for example, in exchange for returned goods. In these circumstances, you would issue a **credit note** authorising the amount(s) to be deducted from the customer's balance.

Credit note details are entered in exactly the same way as an invoice but, on posting to the customer account, Bottom Line **reduces** the customer's balance. On posting to the General Ledger, the value of the returned goods are debited to the relevant Revenue account(s) thereby reducing the value of recorded sales.

This is how you prepare a credit note...

Locate and select the customer icon (or name), as for an invoice.



Sales	
Sales Account Details...	⌘D
Enter Invoice...	⌘I
<b>Enter Credit Note...</b>	
Enter Receipts...	⌘R
Enter Refund...	
Enter Other Transactions...	
Allocate Unallocated Cash...	
Clear Allocated Transactions	

Choose Enter Credit Note from the Sales menu then enter the credit note details in exactly the same way you would for an invoice...

*Credit Note*

**Graciosa**

Credit Note No:

Purchase Order No:

Credit Note Date:  Tax Point:

Delivery Address:

Message:

Totals				
Goods	Discount	Cost	VAT	Total
542.00	0.00	542.00	0.00	542.00

Code	Description	Quantity	Unit price	Discount	Total	VAT	EC
B	Return of unused materials		542.00		542.00	5	<input checked="" type="checkbox"/>
						1	<input checked="" type="checkbox"/>

## Sales Credit Notes (continued)

You can also use the credit note facility to rectify a sales invoice which has been entered incorrectly - either the wrong amount has been posted or it has been posted to the wrong customer account. To do this, create a credit note and enter the details so that they correspond exactly with the original, incorrect invoice. On saving the credit note, the original invoice will be reversed and you are now able to re-enter the invoice correctly.



### Allocating credit notes

If you post a credit note which completely reverses a previously entered invoice then use the [Allocate Unallocated Cash](#) option (described later in this chapter) to match and, therefore, cancel out the two transactions.



### Crediting Early Settlement Discounts

When you open a credit note for a customer who receives Early Settlement Discounts, a panel appears which asks you whether you are crediting monies in respect of an invoice which carried an early settlement discount.

Although an early settlement discount would be meaningless for a Credit Note, the program nevertheless requires this response in order to credit the correct VAT amount.

A few pages ago we mentioned that there is a [special dispensation from Customs and Excise](#) when using early settlement discounts. This means that when an invoice which carries such a discount is credited, Bottom Line should also credit the lower amount of VAT.

When issuing a credit note for an invoice which included an Early Settlement discount ensure that you credit the **total** amount - prior to discount. This way you will be able to allocate the exact net amount and correct amount of VAT charged.

## Sales Receipts

Whenever you receive money from a customer on account or in settlement of an invoice, enter the sales **receipt** like this...

Locate the relevant customer account in the usual way then click its icon (or name) to select it.



Sales	
Sales Account Details...	⌘D
Enter Invoice...	⌘I
Enter Credit Note...	
<b>Enter Receipts...</b>	<b>⌘R</b>
Enter Refund...	
Enter Other Transactions...	
Allocate Unallocated Cash...	
Clear Allocated Transactions	

EITHER, choose Enter Receipts from the Sales menu to display this window for the selected customer...

...OR, press ⌘-R instead.

Receipt

**Harwood Estate**

Reference:

Tax Point:

Amount:  Total Allocated: 0.00

Paid by:  ...to Current Account

Item	Amount	Allocate	Early Settlement		
			Amount	Date	Allocate
337	6366.25	<input type="checkbox"/>	550.00	23-Sep-97	<input type="checkbox"/>
358	-636.85	<input type="checkbox"/>			
397	318.31	<input type="checkbox"/>	27.50	30-Sep-97	<input type="checkbox"/>
403	662.82	<input type="checkbox"/>	57.26	10-Oct-97	<input type="checkbox"/>

Save
Ignore
Close

[Turn the page](#) for more information about Receipts...

## Sales Receipts (continued)

**Reference:** Enter a reference — for example, the bank credit slip number — which will help you identify and reconcile this receipt with your bank statement.

**Tax Point:** Enter the date on which the cash was received.

**Amount:** Enter the amount received from this customer.

**Receipt**

**Harwood Estate**

Reference: 100657

Tax Point: 29-Sep-1997

Amount: 6020.21    Total Allocated: 0.00

Paid by: **Cheque** ...to Current Account

Item	Amount	Allocate	Early Settlement		
			Amount	Date	Allocate
337	6366.25	<input type="checkbox"/>	550.00	23-Sep-97	<input type="checkbox"/>
358	-636.85	<input type="checkbox"/>			
397	318.31	<input type="checkbox"/>	27.50	30-Sep-97	<input type="checkbox"/>
403	662.82	<input type="checkbox"/>	57.26	10-Oct-97	<input type="checkbox"/>

Save   Ignore   Close



### More about the Tax Point

For this entry, you should record the date on which you received the money - **not** the date on which you are entering this transaction onto the Sales Ledger. If you are operating a [Cash Accounting VAT scheme](#), this is the date on which you become liable for the VAT due.

**Paid by:** Select the method of payment to direct the sum to the appropriate General Ledger account as described in the section on [Sales Account Details](#).

Notice that you see the transactions (such as invoices and credit notes) that have already been entered for this customer. You are now able to match the amount received from this customer to specific transactions. [Turn the page](#) to find out how to do this...

## Sales Receipts (continued)

To allocate the amount received to previously entered invoice(s) and, if appropriate, credit note(s), click the relevant **Allocate** check box(es).

If your customer has taken advantage of any early settlement discount offered, click the **Allocate** check box for the relevant Early Settlement discount amount.

**Receipt**

**Harwood Estate**

Reference: 100657

Tax Point: 29-Sep-1997

Amount: 6020.21 Total Allocated: 6020.21

Paid by: Cheque ... to Current Account

*Receipt*

Item	Amount	Allocate	Early Settlement		
			Amount	Date	Allocate
337	6366.25	<input checked="" type="checkbox"/>	550.00	23-Sep-97	<input type="checkbox"/>
358	-636.85	<input checked="" type="checkbox"/>			
397	318.31	<input checked="" type="checkbox"/>	27.50	30-Sep-97	<input checked="" type="checkbox"/>
403	662.82	<input type="checkbox"/>	57.26	10-Oct-97	<input type="checkbox"/>

Save Ignore Close



### Unallocated receipts

If you are unable to match the full amount received to specific transactions – for example, when a customer makes a part payment on account — then leave the Allocation check boxes blank. Once saved, the receipt you have just entered can be allocated at a future date using the [Allocate Unallocated Cash](#) option as described later in this chapter.

The Allocate Unallocated Cash option is of particular significance for [Cash Accounting VAT schemes](#). You should use this option as soon as you are able to clear any unallocated receipts thus allowing the completed transactions to be incorporated into your VAT Return figures.

## Posting the Receipt

The total of the sums allocated is displayed to the right of the amount paid. When these two values are equal you have fully allocated the cash received. You can now click the Save button to post the receipt.

**Receipt**

**Harwood Estate**

Reference: 100657

Tax Point: 29-Sep-1997

Amount: 6020.21    Total Allocated: 6020.21

Paid by: Cheque ...to Current Account

Item	Amount	Allocate	Early Settlement		
			Amount	Date	Allocate
337	6366.25	<input checked="" type="checkbox"/>	550.00	23-Sep-97	<input type="checkbox"/>
358	-636.85	<input checked="" type="checkbox"/>			
397	318.31	<input checked="" type="checkbox"/>	27.50	30-Sep-97	<input checked="" type="checkbox"/>
403	662.82	<input type="checkbox"/>	57.26	10-Oct-97	<input type="checkbox"/>

Save   Ignore   Close

OR, click here to close the window. You will be asked to save or ignore any unsaved changes.

OR, click Ignore to cancel this transaction.

Click Save to post the receipt to the customer account.

Once you have done this...

- The customer's outstanding balance is decreased by the total amount received.
- If you are operating a Cash Accounting VAT scheme then, provided that you have fully allocated the payment, Bottom Line updates the VAT amounts from which your VAT Return figures are derived.
- The transaction is queued in readiness for posting to the General Ledger. Receipts are debited to the General Ledger account which is specified by the Paid by option relating to the [Sales Account Details panel](#) (accessed from the Sales menu). This would typically be your bank current account.

## Sales Refunds

We have already seen that, when a customer qualifies for a rebate, you need to issue a [credit note](#). The credit note can then be offset against an unpaid invoice or future sales to the customer.

However! There may not be any future sales and the customer may have already paid the original invoice. In these circumstances, you would refund the customer's money.

To record this transaction...

Enter the credit note authorising the refund as described a few pages back.

Enter the refund in exactly the same way as you would for a [sales receipt](#)...

Enter the refund reference, date and amount.

Select method of payment

In this area, use the check box(es) to allocate the total amount refunded to previously entered transactions. (Refunds will match negative amounts).



Locate the relevant customer account in the usual way then click its icon (or name) to select it.

Sales	
Sales Account Details...	⌘D
Enter Invoice...	⌘I
Enter Credit Note...	
Enter Receipts...	⌘R
Enter Refund...	
Enter Other Transactions...	

Choose Enter Refund from the Sales menu to display the following window for the selected customer...

**Sales Refund**

**SB Restoration Ltd**

Reference: Cq 604

Refund Date: 30-Sep-97

Amount: 178.22 Total Allocated: -178.22

Paid by: Cheque ...from Current Account

Item	Amount	Allocate	Early Settlement		
			Amount	Date	Allocate
372	-178.22	<input checked="" type="checkbox"/>			

Save Ignore Close

*Refund*

## Sales Refunds (continued)

**Sales Refund**

**SB Restoration Ltd**

Reference: Cq 604

Refund Date: 30-Sep-97

Amount: 178.22 Total Allocated: -178.22

Paid by: Cheque ...from Current Account

Item	Amount	Allocate	Early Settlement		
			Amount	Date	Allocate
372	-178.22	<input checked="" type="checkbox"/>			

Save Ignore Close

OR, click Close to close the window. You will be asked to save or ignore any unsaved changes.

OR, click Ignore to cancel this transaction.

Click Save to post the refund to the customer account.

Refunds are credited from the General Ledger account which is specified by the Paid by option relating to the [Sales Account Details panel](#).



### Correcting receipt entries

The Refund option can also be used to reverse a receipt which has been incorrectly entered — either the wrong amount has been posted or it has been posted to the wrong customer account.

To do this...

- Open the Refund window for the relevant customer.
- Enter a suitable reference which indicates an adjustment.
- Specify the amount to be reversed then allocate it to the previously entered (and incorrect) receipt.

After posting the refund, you can then re-enter the receipt correctly.

## Other Transactions

There may be times when it is not possible to allocate invoices to receipts and vice versa.

Furthermore, there will be monies which have to be written off or odd amounts of cash which hang around un-cleared for months as described in the [Don't Panic!](#) section at the end of this manual. It is on these occasions when the Other Transactions facility comes into its own. This command allows entry of the three types of transaction...

- Miscellaneous Debit
- Miscellaneous Credit
- Write off

The third of these transaction is used to [write-off](#) any customer debts which are deemed to be irrecoverable. You should only use this transaction once you have firmly established that there is no possibility of the customer repaying the debt.

To enter one of these transactions, follow the steps described here to display the Other Transactions window for the customer...

Locate the relevant customer account in the usual way then click its icon (or name) to select it.



Choose Enter Other Transactions from the Sales menu to display the [following window](#) for the selected customer...

Sales	
Sales Account Details...	⌘D
Enter Invoice...	⌘I
Enter Credit Note...	
Enter Receipts...	⌘R
Enter Refund...	
<b>Enter Other Transactions...</b>	
<b>Allocate Unallocated Cash...</b>	
<b>Clear Allocated Transactions</b>	

## Other Transactions (continued)

Specify the sales **Analysis Code** which maps this transaction to the correct General Ledger account then...

Enter the **Amount** (excluding VAT) to be debited or credited.

On saving the transaction, Bottom Line increases or decreases the customer balance by the relevant amount and queues the transaction for posting to the General Ledger. The transaction itself is cleared from the customer's account using the Allocate Unallocated Cash option described in the next section.

**Transaction Type:** The Miscellaneous Debit option is pre-selected — select Miscellaneous Credit or Write Off from the pop-up menu if required.

Other Transaction

Counterpoint

Transaction type: Misc Credit

Enter a suitable transaction reference... ..and the date.

Reference: Credit Date: 30-Sep-97

Analysis code: 8 Amount: 0.01

VAT code: 0 VAT:

Save Ignore Close

Enter the **VAT code** for the General Ledger VAT account to be debited/credited...

...and the **VAT amount**.

Click **Save** to accept the transaction ...or **Ignore** or **Close** as before.

## Allocating Unallocated Cash

Under normal circumstances, whenever you **enter a receipt**, you have the opportunity to match the money received with the invoice(s) being paid. However, there may be times when that allocation is unavailable — for example, when you receive a payment in advance.

The process of allocating unusual items allows you to ‘close’ items which would otherwise remain ‘open’ (or current). For example, if you have issued a credit note which cancels an invoice then the transactions remain open until you match the credit note with the invoice.

This menu command is not, therefore, a transaction in itself but a way of tidying up previous transactions. Once allocated, the completed transactions are cleared at next end of period.

Locate the customer account and select it as before.



Choose **Allocate Unallocated Cash** from the **Sales** menu to display the **following window** for the selected customer...



### Reducing the clutter

Normally, allocated transactions are cleared by **Bottom Line during the Period End routine** described in **Chapter 18**. However, if you have a large number of allocated transactions occupying valuable real estate in your transaction windows or on your reports, there is no need to wait for the next end of period to clear them.



You should first print and clear both a **Customer Audit Report** and **Sales Daybook** then simply choose the **Clear Allocated Transactions** command on the **Sales** menu to reduce the clutter.

## Allocating Unallocated Cash (continued)

Notice that the Allocating Unallocated Cash window is similar to the standard [Receipts window](#). Carry out the following steps to complete the allocation...



### Cash Accounting VAT

The [Cash Accounting option](#) does not register the payment of VAT in your VAT Return until the receipt has been allocated.

Our example shows the allocation of three uncleared transactions for this customer. The allocation involves a payment received on account; an invoice which has been subsequently prepared; and the crediting of a one penny error in payment which was entered using the [Other Transactions](#) facility as described in the last section.

If any early settlement discount applies, the program displays the relevant details and you are able to specify any discount taken by clicking the check box(es) for the relevant Early Settlement discount amounts.

**Tax Point:** Enter the date on which the transaction(s) actually took place, not the date on which they are entered.

Item	Amount	Allocate	Early Settlement		
			Amount	Date	Allocate
Receipt	-806.52	<input checked="" type="checkbox"/>			
371	806.53	<input checked="" type="checkbox"/>			
Misc Cr	-0.01	<input checked="" type="checkbox"/>			

In this area, you will see a list of un-cleared transactions for this customer. Use the **Allocate** check box(es) to match transactions to each other.

When you have finished and the 'Remainder to Allocate' figure is zero, click **Save** to accept the allocation.

## Viewing Customer Transactions

The next chapter describes how you can print an [Account Status report](#) which lists current transactions held for all customers or for selected customer(s).

You can also access the current transactions for a particular customer like this...

Having opened the Current Transactions window, you can now see all the invoices, credit notes, receipts, refunds and miscellaneous transactions currently associated with this account which are open (unallocated) or have been allocated during the current period.

Notice that different icons are used to represent each type of transaction.

To open a current transaction and view its contents, simply double click the relevant icon.

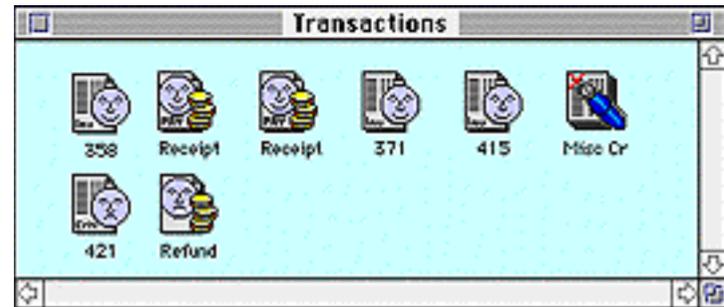
When you open an **invoice** or **credit note**, the details are presented as fully fledged reports which can be printed as described in the next chapter. This facility allows you to prepare copies for those customers who claim to have “lost the invoice”.

For other types of transaction, only the relevant details appear in the window.

Locate the relevant customer account then double click its icon (or name) to open it...



Double click the Current Transactions icon to reveal all the current transactions for this customer account...



When you have finished, click the close box in the top left corner of the Transactions window then use the same method to close the customer window.

## Posting Sales Transactions to the General Ledger

Having entered transactions to the Sales Ledger they are not automatically posted to the General Ledger. When you have prepared one or more transactions in the Sales Ledger, you are now ready to transmit the information about these transactions to the relevant General Ledger Balance Sheet and Profit & Loss Accounts.

You may post this information as frequently as you like but, in any case, ensure that the information is posted before looking at the General Ledger reports or the Reconciliation facility.

To post the sales transactions to the General Ledger ...

EITHER, Click here to post the sales transactions to the relevant General Ledger accounts.

OR, Choose Post from Sales Ledger from the General menu.



### Post... ..haste

Bottom Line only allows you to post from the Sales Ledger if it is currently in the same accounting period as the General Ledger. This means that if you have '[Period Ended](#)' the Sales Ledger ahead of the General Ledger, the program stubbornly refuses to post the sales transactions until the General Ledger catches up.

To ensure that your Sales Ledger transactions have been posted to the correct General Ledger accounts, you are advised to print a Transaction List as described in [Chapter 16](#).



## Spotting Mistakes

Having printed a [Transaction List](#), you may discover that a sales transaction has been inadvertently posted to the wrong General Ledger account. In these circumstances, use the Journal facility described in [Chapter 15](#) to make the necessary adjustments.

Furthermore, you should watch out for any postings to your nominated Sales Suspense account since this signifies a communications breakdown between a Sales Analysis code and its General Ledger account. Once again, use the Journal facility to re-direct any posting from the suspense account.