



ITEMS

Items are created to sell a service or product to a customer and to receive services or products from suppliers

- Physical: Inventory / stock kept on hand and sold to customers. Typical example will be a retail environment.
- Service: Non-resell items not linked to inventory. Suitable for consumable items (Example: Labour / Consulting / Stationary)

ITEMS (BOTH PHYSICAL AND SERVICE) WILL LINK TO SALES AND PURCHASE ACCOUNTS IN THE GENERAL LEDGER

ACCOUNTS

Accounts are created to directly apply transactions to the different categories in the income statement and balance sheet

- Sales
- Cost of Sales
- Other Income
- Expenses
- Non-Current Assets
- Current Assets
- Non-Current Liabilities
- Current Liabilities

ITEMS & ACCOUNTS

New Item

Record Navigation: | < > >> |

Code: Active:

Description: Opening Cost:

Category: (None) Opening Quantity:

Item Type: Physical Service Quantity On Hand Opening: Quantity as At:

Details Price Lists Activity Notes User Defined Fields Purchases Graph Sales Graph Sales vs Purchases Graph Picture

Item Details

Price List: Default Price List

Exclusive Selling Price: GP %:

Inclusive Selling Price: GP Amount:

Unit: VAT On Sales: Standard Rated (14.00%)

Sales Account: Sales VAT On Purchases: Standard Rated (14.00%)

Purchases Account: Purchases

New Account

Record Navigation: | < > >> |

Account Name: Active:

Category: (None) Opening Balance:

Default VAT Type: (None) At:

Description: Sales

Activity Notes

Complete: Entry Date: 28/09/2017

Income received such as interest and discount received.

Expenses

Cost incurred. Advertising, rent, stationery, and so on.

Income Tax

Taxes levied on the net income of the company.

Non-Current Assets

Items of value lasting for an extended period of time such as property.

Current Assets

Assets expected to be sold or used in under a year such as cash.

Non-Current Liabilities

Liabilities to be settled in the future. Loans, mortgages and so on.

Current Liabilities

Liabilities expected to be settled within a year such as tax owed.

Record Navigation: | < > >> |

Transaction Processing Options

Customers

Suppliers

Invoice

Create Invoice and allocate receipt.

Advantages:

- Avoiding duplicates
- Accurate timing - Appropriate for VAT registered vendors, registered on invoice base
- Transaction history is available
- Easy to detect discrepancies or reconciliation differences
- Monthly statements
- Item based processing (Inventory tracking)
- Invoices can be linked to quotations and purchase orders
- **There is an app for this**

Disadvantages:

- Manual processing
- Time consuming

Customer Adjustments

Use to capture large quantities of invoices not on system.

Advantages:

- Avoiding duplicates for manual invoices
- Transaction history is available
- Accurate timing suitable for VAT registered vendors
- Easy to detect discrepancies or reconciliation differences
- The journal can be exported, data captured and imported
- Monthly statements

Disadvantages:

- No items
- No expected receipt date

Cash Base

All income transactions is directly processed to the respective GL Account.

Advantages:

- Easy because of a 1 step process.
- Disadvantages:
- Debtors information is not available.
 - Discrepancies cannot easily be detected
 - No inventory system.
 - Not recommended for VAT registered vendors.
 - No monthly statement available
 - Can lead to poor collection of outstanding debtors

Invoice

Capture Supplier Invoice and allocate payment.

Advantages:

- Accurate timing - Appropriate for VAT registered vendors, registered on invoice base
- Transaction history is available
- Easy to detect discrepancies or reconciliation differences
- Monthly statements can be reconciled to captured invoices
- Invoices can be linked to purchase orders
- Item based processing (Inventory tracking)
- **There is an app for this**

Disadvantages:

- Manual processing
- Time consuming

Supplier Adjustments

Use to capture large quantities of supplier invoices not on system.

Advantages:

- Transaction history is available
- Easy to detect discrepancies or reconciliation differences
- The journal can be exported, data captured and imported
- Accurate timing suitable for VAT registered vendors

Disadvantages:

- Supplier base should be available on system if template is imported
- No item based processing (No inventory tracking)

Cash Base

All expense transactions is directly processed to the respective GL Account.

Advantages:

- Easy because of 1 step processing.

Disadvantages:

- Reconciliation to supplier statement not possible.
- Creditors information is not available.
- Discrepancies cannot easily be detected
- No inventory system.
- Not recommended for VAT registered vendors
- Will not give accurate indication of profitability / liquidity of business