

## Receiving supplier Bills

Dealing with bills from suppliers is a regular business activity. The administration burden needs to be as low as possible. In order for the process to be as easy and simple as possible a few minutes spent setting up supplier details in advance is well spent.

If an entity is not registered for VAT, then there will be no references to VAT in the displayed screens, also therefore ignore references to VAT in the guide below.

### Receiving supplier bills process in summary

- ◆ Ensure details of the supplier are setup.
- ◆ If the business is subject to **IR35**, set up contracts
- ◆ If you are using **Branch** analysis, ensure branches are set up
- ◆ If you are collecting expense details for taxation **P11D** purposes, ensure the feature is activated and the appropriate employee is set up. (Please contact your accountant for more information.)
- ◆ Create the Bills Transaction

### Supplier Details

Supplier details are entered via the **LISTS** menu.

**LISTS → SUPPLIER → ADD SUPPLIER**

Enter details in the Supplier Maintenance Screen. More Information is available in the **Setting up a Supplier** user guide.

### IR35 Contracts

IR35 Contract Data is also set up via the **ADD-INS** menu.

**ADD-INS → IR35 → ADD CONTRACT**

Enter details in the IR35 Contract Maintenance Screen. More Information is available in the **Working with IR35** user guide.

### Branches

Sales Item Information is also set up via the **LISTS** menu.

**LISTS → BRANCHES → ADD BRANCH**

Enter details in the Branch Maintenance Screen. More Information is available in the **Using Branches** user guide.

### P11D

P11D recording is activated via the **Optional features** tab, under the **Profile**

**ENTITY NAME → PROFILE → OPTIONAL FEATURES**

Activate P11D recording by ticking 'Track Employee Expenses and Branches' Payroll will also need to be activated (even if not being used for pay purposes) Further information is available

both from your advisor and the P11D and On-line Filing and Setting up Officers & Employees user guides. Ensure that the appropriate employee is set up.

**LISTS → OFFICERS/EMPLOYEES → ADD NEW**

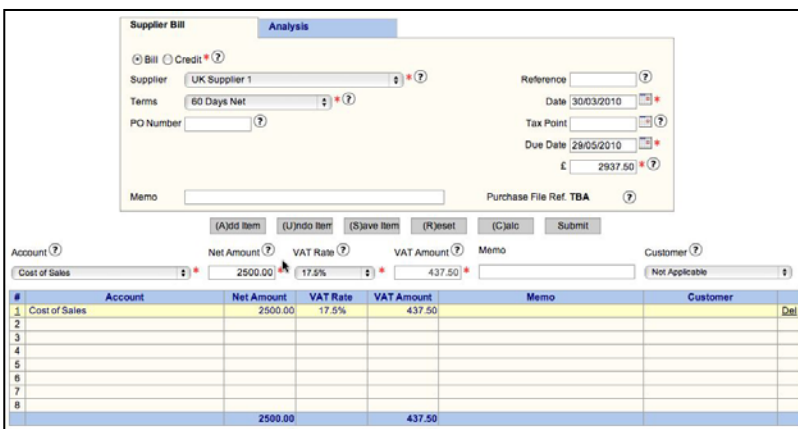
**Creating a Bills Transaction**

Creating a bills transaction is accessed via the **ACTIVITIES** menu

**ACTIVITIES → ENTER BILL/CREDIT NOTE → Supplier Bill** tab

Note that if the **Prompt for Analysis** box (set in **Profile**) is ticked then when transactions are entered which require analysis to branches, IR35 or P11D reporting; the analysis tab is presented first by default so that the required analysis is not forgotten.

- ◆ Select the Supplier from the dropdown list.
- ◆ **TERMS** will default to any terms entered when the Supplier was set up. You may amend as necessary.
- ◆ The **DATE** defaults to to-days date, this to can be amended. This date is the transaction date for Liberty Accounts recording.
- ◆ If the **TAX POINT** of the transaction for VAT purposes is different, enter the correct date in the Tax point field. Leave blank if not used.
- ◆ Enter any **REFERENCE** information as necessary



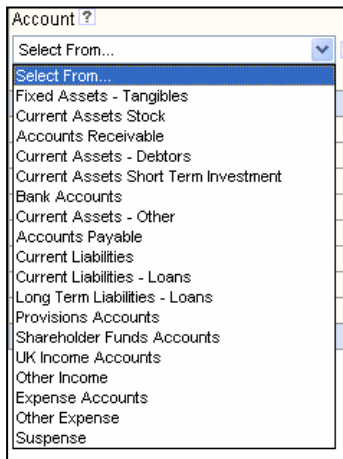
The screenshot shows the 'Supplier Bill' form with the 'Analysis' tab selected. Fields include Supplier (UK Supplier 1), Terms (60 Days Net), Date (30/03/2010), Tax Point (29/05/2010), and VAT Amount (£ 2937.50). A table below shows a line item for 'Cost of Sales' with a net amount of 2500.00 and a VAT amount of 437.50.

#	Account	Net Amount	VAT Rate	VAT Amount	Memo	Customer	Del
1	Cost of Sales	2500.00	17.5%	437.50		Not Applicable	
2							
3							
4							
5							
6							
7							
8							
		2500.00		437.50			

If required the **MEMO** field can be used to enter free format descriptive text it can be left blank. The system will provide a **purchase file reference** number (that may be used in a document filing process) when the transaction is **SUBMITTED** and until that happens the field displays TBA (To be Assigned)

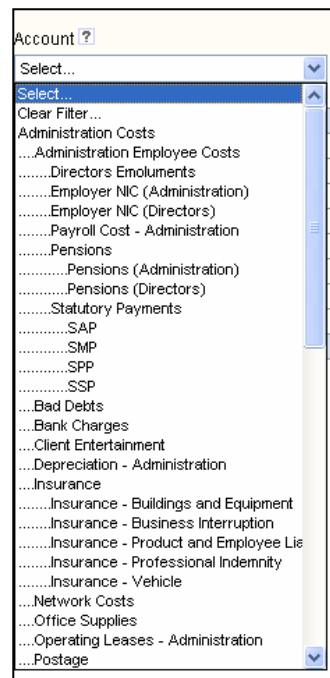
Line items that make up the bill now need to be added. A line item is a particular purchase item shown on the bill. In many instances there may only be the one.

- ◆ **ADD ITEM** accesses the line item input. Select the **ACCOUNT** from the dropdown.



The screenshot shows a dropdown menu for 'Account' with a list of account types including Fixed Assets - Tangibles, Current Assets Stock, Accounts Receivable, Current Assets - Debtors, Current Assets Short Term Investment, Bank Accounts, Current Assets - Other, Accounts Payable, Current Liabilities, Current Liabilities - Loans, Long Term Liabilities - Loans, Provisions Accounts, Shareholder Funds Accounts, UK Income Accounts, Other Income, Expense Accounts, Other Expense, and Suspense.

A selection dropdown appears; defaulted to Expense type accounts, if another account is required click **clear filter** and then select again from a list of account types and then from the accounts under the chosen account type.

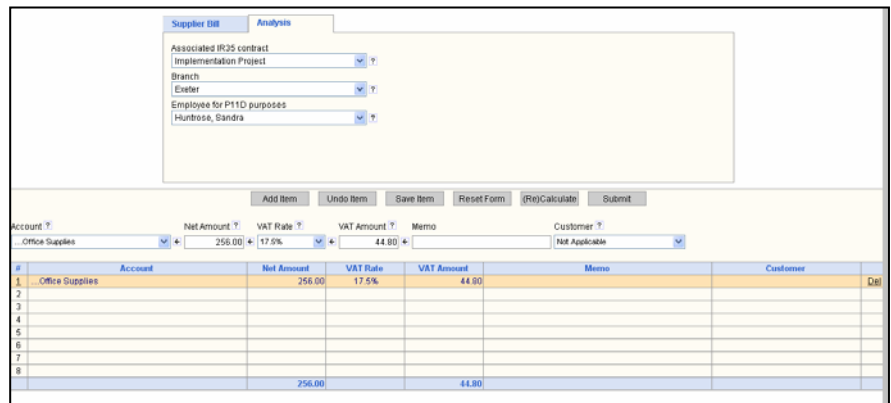


The screenshot shows a dropdown menu for 'Account' with a search filter. The list of account types includes Administration Costs, Administration Employee Costs, Directors Emoluments, Employer NIC (Administration), Employer NIC (Directors), Payroll Cost - Administration, Pensions, Pensions (Administration), Pensions (Directors), Statutory Payments, SAP, SMP, SPP, SSP, Bad Debts, Bank Charges, Client Entertainment, Depreciation - Administration, Insurance, Insurance - Buildings and Equipment, Insurance - Business Interruption, Insurance - Product and Employee Liabilities, Insurance - Professional Indemnity, Insurance - Vehicle, Network Costs, Office Supplies, Operating Leases - Administration, and Postage.

- ◆ Default value, if it exists, for **VAT RATE** (If VAT registered) is shown. The default may be overridden.
- ◆ Enter the **NET AMOUNT** of the line item, the **VAT AMOUNT** is automatically calculated from the **VAT RATE**. It can be overridden if necessary.
- ◆ Enter a **MEMO** entry if required.
- ◆ If the expense needs to be related to a particular Customer, because it is an expense that will be reimbursable by the customer, select the Customer from the drop down list.
- ◆ **SAVE EDIT** confirms the entry. Further Line items can be entered by clicking on **ADD ITEM** on each occasion. **UNDO EDIT** cancels the current line item data. **UNDO ALL EDITS** cancels all line item inputs.

## Analysis Tab

The analysis tab allows for further details to be added for recording if the business is using the Branches and/or the IR35 features and/or P11D recording. If these features are not in use, nothing needs to be added in the analysis tab.



#	Account	Net Amount	VAT Rate	VAT Amount	Memo	Customer
1	Office Supplies	256.00	17.5%	44.80		
2						
3						
4						
5						
6						
7						
8						
		256.00		44.80		

- ◆ Select an **Associated IR35 contract** if appropriate (consult your Accountant if you are unsure.) Also see the **Working with IR35** user guide.
- ◆ Select an appropriate **Branch** if this invoice is to be analysed to a branch
- ◆ Select an **employee for P11D purposes** from the drop down.
- ◆ When all line items have been entered as required, clicking on **(RE)CALCULATE** ensures that all value extensions are correct. When the Bill data is complete clicking **SUBMIT** saves and confirms the transaction.

A confirmation message appears at the top of the screen together with the unique **Purchase File Reference Number**.

## To create an extract file for BACS/online banking purposes

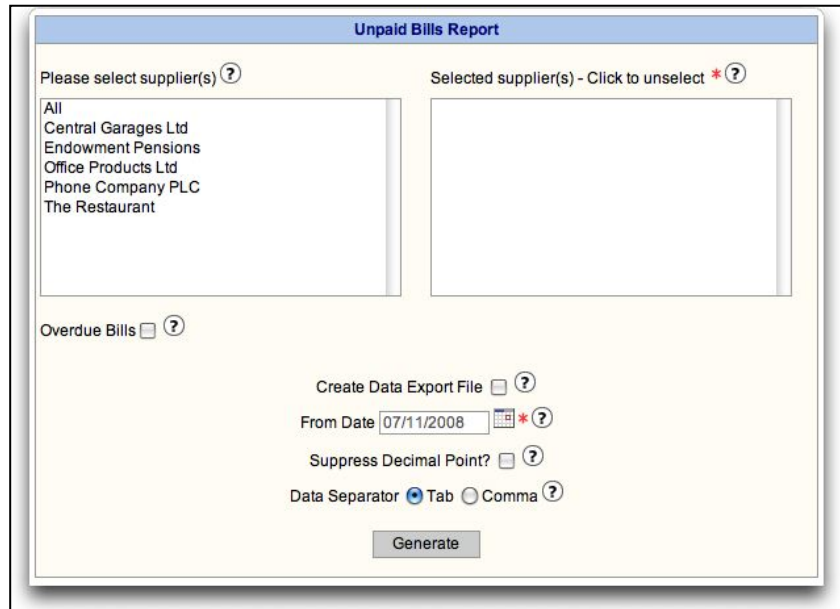
From the **REPORTS** menu go to **UNPAID BILLS**.

**REPORTS → ACCOUNTS PAYABLE → UNPAID BILLS**

Click on **ALL** or the **Supplier** required. Tick the **Create Data Export File** box.

Select a **From Date** (the default is today) this enables a user to pick up a batch of bills for output. If the required data format is in pence, tick the **Suppress the Decimal Point** box.

Click on **GENERATE** to create the export file. The file is in text CSV format.



## Editing a Bill Transaction

After a bill has been created it may be edited. If a bill (or the bill payment if the entity is using the cash VAT scheme) has been included in a VAT return then the details of the bill may only be viewed they cannot be changed or the bill deleted. Likewise if a bill is dated in a closed financial year it also cannot be changed.

The **Purchase File Reference Number** will display on the screen.

Edit a bill via the **LISTS** menu.

### **LISTS → SUPPLIER BILLS/CREDITS**

- ◆ Locate the relevant bill and click on **EDIT**
- ◆ The full Supplier Bill/Credit Note Maintenance screen (see above) is displayed with the current data.
- ◆ Edit the data as necessary
- ◆ When editing line item entries, highlight the appropriate line by clicking on it. The information appears in the edit line. Amend as necessary and **SAVE EDIT** to complete.
- ◆ When all changes have been made, clicking on **(RE)CALCULATE** ensures that all value extensions are correct. Clicking **SUBMIT** saves and confirms the transaction.