

Purchasing and Selling Motor Vehicles

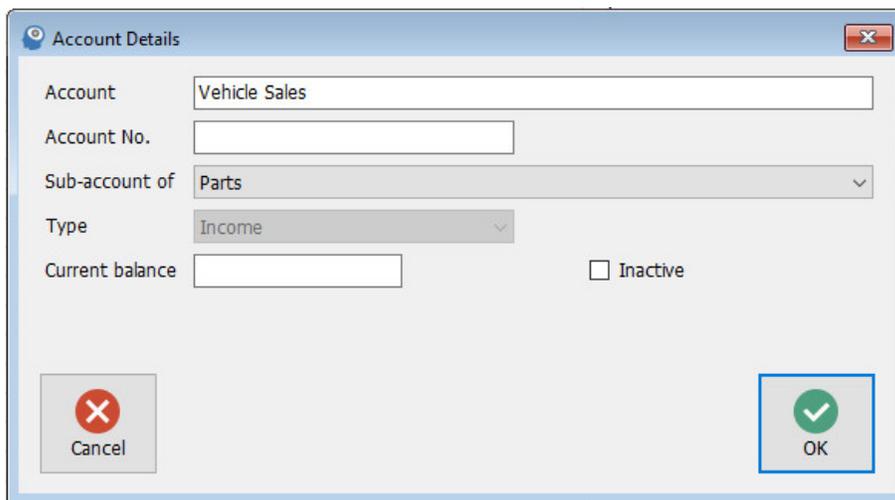
This document explains how to setup the necessary accounts, process the purchase of a motor vehicle and sell the motor vehicle taking in to account all variables such as servicing, stamp duty and transfer fees.

Process Steps:

1. Vehicle Purchase
2. Create Inventory Item (*Vehicle Purchase*).
3. Create Rebuild Item (*Vehicle Components*).
4. Create Charge Invoice for Vehicle Sales.
5. Create Expense Item Stamp Duty & Transfer Fees.
6. Create Bill Payment for Stamp Duty & Transfer Fees.

Accounts Setup:

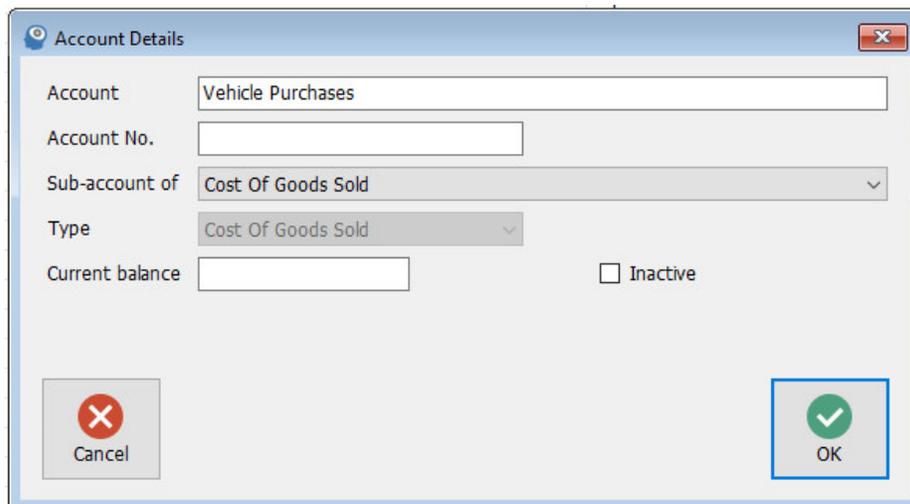
Chart of Accounts: create a Vehicle Purchases account as per image below.



The screenshot shows the 'Account Details' dialog box with the following fields and options:

- Account: Vehicle Sales
- Account No.: [Empty text box]
- Sub-account of: Parts
- Type: Income
- Current balance: [Empty text box]
- Inactive
- Buttons: Cancel (red X icon), OK (green checkmark icon)

Chart of Accounts: create a Vehicle Sales account as per the image below.



The screenshot shows the 'Account Details' dialog box with the following fields and options:

- Account: Vehicle Purchases
- Account No.: [Empty text box]
- Sub-account of: Cost Of Goods Sold
- Type: Cost Of Goods Sold
- Current balance: [Empty text box]
- Inactive
- Buttons: Cancel (red X icon), OK (green checkmark icon)

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Chart of Accounts: Create a Vehicle Transfer Fees Expense account as per image below.

Account Details

Account: Vehicle Transfer Fees

Account No.:

Sub-account of: Operating Expenses

Type: Expense

Current balance: \$0.00 Inactive

Usual tax code: ...

Buttons: Cancel, Ledger, OK

Go to Lists – Other Items and create a new Expense item as per image below.

Item Form

Description: Stamp Duty & Transfer Fees

Details | Purchasing | Sales | Adjustments | Allocations | Orders | Comments

Part type: Other Inactive

Cost (Inc. Tax): \$0.00

Other Account: Operating Expenses - Vehicle Transfer Fees

Tax: GST Included

Buttons: Cancel, OK

Don't forget to link the Other Account field to Vehicle Transfer Fees in Chart of Accounts.

Go to File – Site Settings – Local Settings under “Default parts list to display” tick all boxes as per the image below

Default parts list display

Catalog Inventory Buy-Ins Rebuild

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Follow this sample scenario starting with the purchase of the motor vehicle, in this example we have purchased 1 x Holden Barina MJ 2010 for \$10,000.00 not including stamp duty.

Step 1: Purchasing the Vehicle

Purchasing – New – Enter the Suppliers details of who you are buying the vehicle from click OK to bring up the new purchase bill.

Enter a reference number then change date if required, click on Add Inventory then New, enter all your details as per sample image below.

Make sure you change your cost of goods sold account to Vehicle Purchases created previously.

Part Form

Part: Holden Barina Mj 2010 Part number: HBMJ2010

Details Purchasing Sales Adjustments Allocations Orders Comments

Part type: Inventory Recalc quantity first Inactive

Category: Vehicles Cost (Inc. Tax): \$10,000.00

Income Account: Parts Price (Inc. Tax): Standard \$15,000.00

COGS account: Cost Of Goods Sold - Vehicle Purchases Wholesale \$0.00

Trade \$0.00

Location: Barcode: PRT1328

Units: Each Consignment Tax: GST Included

SKU: Class: Recalc

Stock

| | | | |
|----------------|--------|------------|------|
| On hand | 0 | Min. stock | 0 |
| Total value | \$0.00 | Max. stock | 0 |
| Average value | \$0.00 | Allocated | 0.00 |
| Purchase units | | On order | 0 |

Alternative parts: Preferred supplier:

Cancel Item sales OK

Click OK to place inventory item on to bill.

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The screenshot shows the 'Purchasing' window with a table of bills and a summary table below it.

| Date | Inv/Ref# | Supplier | Due Date | Total (In...) | Paid | Balance | Comments |
|----------|------------|----------------------|----------|---------------|--------|-------------|----------------------------------|
| 20/11/24 | 32698544 | Jon' Secondhand Cars | 20/11/24 | \$10,000.00 | \$0.00 | \$10,000.00 | Purchase Of Holden Barina Mj2010 |
| 13/11/24 | 2270203831 | Repco Auto Parts | 31/12/24 | \$25.65 | \$0.00 | \$25.65 | PO#: WORKSHOP |
| 13/11/24 | 2270203768 | Repco Auto Parts | 31/12/24 | \$31.63 | \$0.00 | \$31.63 | PO#: OWB306 |
| 12/11/24 | 23457841 | Building Owner | 12/12/24 | \$1,000.00 | \$0.00 | \$1,000.00 | Rent |
| 12/11/24 | 2270203682 | Repco Auto Parts | 31/12/24 | \$233.20 | \$0.00 | \$233.20 | PO#: WEEDS2 |
| 12/11/24 | 2270203676 | Repco Auto Parts | 31/12/24 | \$256.30 | \$0.00 | \$256.30 | PO#: JANE |
| 12/11/24 | 2270203654 | Repco Auto Parts | 31/12/24 | \$18.05 | \$0.00 | \$18.05 | PO#: WORKSHOP |
| 12/11/24 | 2270203599 | Repco Auto Parts | 31/12/24 | \$18.04 | \$0.00 | \$18.04 | PO#: STOCK |
| | | | | \$21,365.63 | \$0.00 | \$21,365.63 | |

Make and record payment if required.

Step 2: Creating the Rebuilt Part.

Go to Parts – New, change the part type to Rebuild then fill out all details as per the image below.

The screenshot shows the 'Part Form' window for creating a rebuilt part. The part name is 'Holden Barina MJ 2010' and the part number is 'HBAMJ2010'. The part type is set to 'Rebuild'. The category is 'Vehicles', the income account is 'Parts', and the COGS account is 'Cost Of Goods Sold'. The cost (inc. tax) is \$9,640.90. The price (inc. tax) is set to 'Standard'. The rebuild job is opened on 20/11/24. The rebuild parts & labour table is as follows:

| Item | Quantity | Cost (Ex.) | Total (Ex.) |
|----------------------------------|----------|------------|-------------|
| Labour | 1 | \$95.45 | \$95.45 |
| HBMJ2010 - Holden Barina Mj 2010 | 1 | \$9,545.45 | \$9,545.45 |

Rebuilt parts allow's for additional labour and parts to be added to the rebuilt part, while the part is still ongoing all values will be displayed at cost price excluding GST. Once all additions have been added enter a sell price excluding GST then click on the Close button, the part will now be able to be sold.

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If you need to add more items or labour you can edit the rebuilt part and click on the Reopen button.

All servicing, roadworthy etc. need to be completed as normal as at this point you are the client all jobs can be written of through the normal expense service & repair write off (*Link to flow chart below*) . All labour and parts used in the servicing need to be added to the rebuilt part.

View Service Write Off Flow Chart: <https://www.microbase.com.au/resources/Service%20Write%20Off.pdf>

or

Go to the Microbase support within Automation: Online – Microbase Support – Resources – Flow Charts – Service Write Off.

Step 3: Selling the Vehicle.

Click on Invoices button and choose Charge Invoice, Client will need to be added into your client list, choose the client then OK click on Part and choose HBMJ2010R then OK, the vehicle part will now be on the charge invoice at the sell price of \$15000.00.

The screenshot shows the 'New Charge Invoice' window in the Microbase software. The window title is 'New Charge Invoice - Opened 20/11/24'. The client details are: David Stope, 33 South Street, Belmont WA 3216. The 'Parts & labour' table is as follows:

| Item | Description | Type | Order | Quantity | Rate | Total (Ex.) | Tax amt | Tax code | Total (In... | FP |
|----------|----------------------|-----------|-------|----------|-------------|-------------|------------|----------|--------------|----|
| CHARGE | Charge Invoice | Service | | 0 | \$0.00 | \$0.00 | \$0.00 | GST | \$0.00 | |
| HBMJ2010 | Holden Barma MJ 2010 | Inventory | | 1 | \$13,636.36 | \$13,636.36 | \$1,363.64 | GST | \$15,000.00 | |

The summary section shows: Total (Ex.) \$13,636.36, Tax total \$1,363.64, Rounding \$0.00, Total (Inc.) \$15,000.00. The window also includes a 'Work Performed' section, a 'Notes' section, and a 'Summary' section with fields for SA/SP, Order #, and Source. The bottom toolbar contains buttons for Cancel, Client, Vehicle, Job history, Checklists, Print, Close, Order, Notes, Email, SMS, MyPC, Save, and OK.

Close invoice as normal and receipt payment.

Step 4: Payment of Regulatory Authority Road fees. (If Applicable)

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Click on Purchasing – New – choose supplier (*Reg Auth*) enter a reference number of your choice, suggest rebuild part number or registration number, change date if required, click on Add Other highlight Stamp Duty & Transfer Fees account then click OK, this will place the account on to the new bill, enter the total fees into the total cell.

The screenshot shows the 'New Bill' window with the following details:

- Details:**
 - Bill type: Bill, Credit, Purchase order
 - Date: 20/11/24, Invoice/Re: HBMJ2010
 - Supplier: Registration Authority
 - Comments: Transfer Fees for Holden Barba MJ2010
 - Terms: 7 days, Bill due: 27/11/24
 - Repeat: Repeat, Next: [empty]
- Items Table:**

| Item | Description | Type | Job | Service | Location | Purchase units | Quantity | Rate | Total (Ex.) | Tax amt | Tax code | Total (Inc.) |
|------|--------------------------|-------|----------------------------|---------|----------|----------------|----------|----------|-------------|---------|----------|--------------|
| | Stamp Duty & Transfer... | Other | <input type="checkbox"/> 0 | 0 | | 0 | 1 | \$590.91 | \$590.91 | \$59.09 | GST | \$650.00 |
| | | | | | | | | | \$590.91 | \$59.09 | | \$650.00 |

Buttons at the bottom: Cancel, Job card, Payment, Sort, Inventory, Buy-In, Other, Scan, View/edit, Remove, Update parts, OK.

Click on payment button and make payment as normal.

Process Completed.