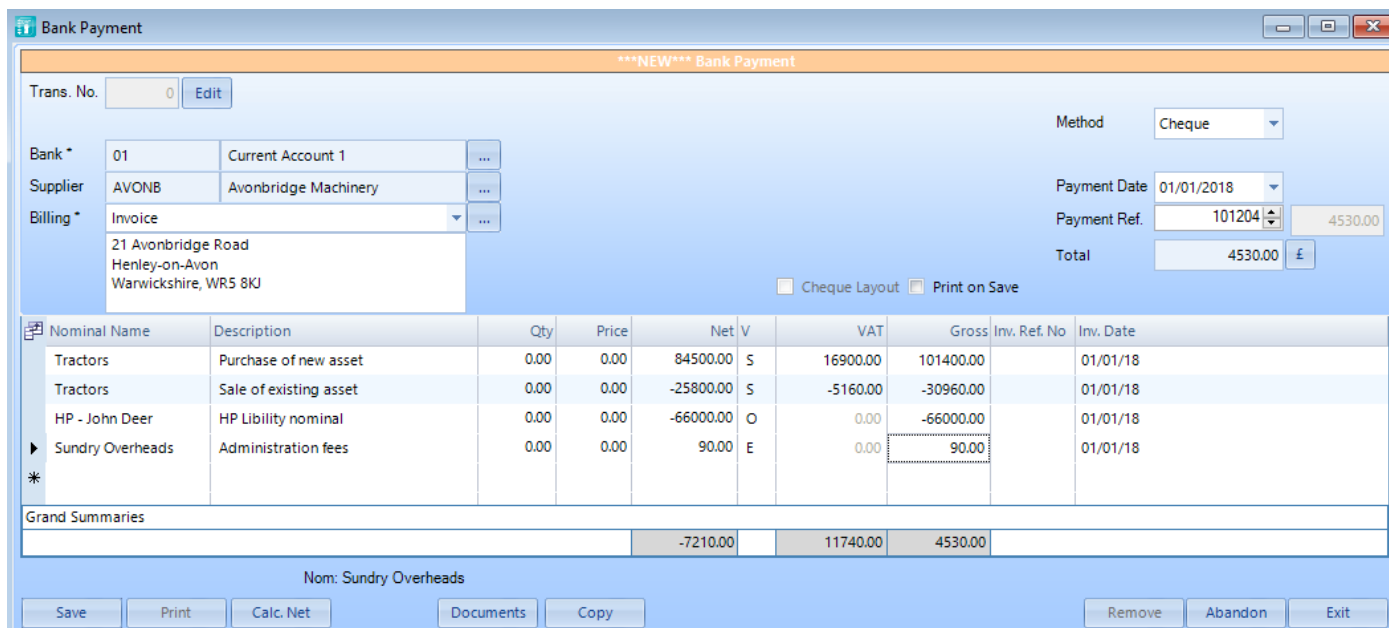


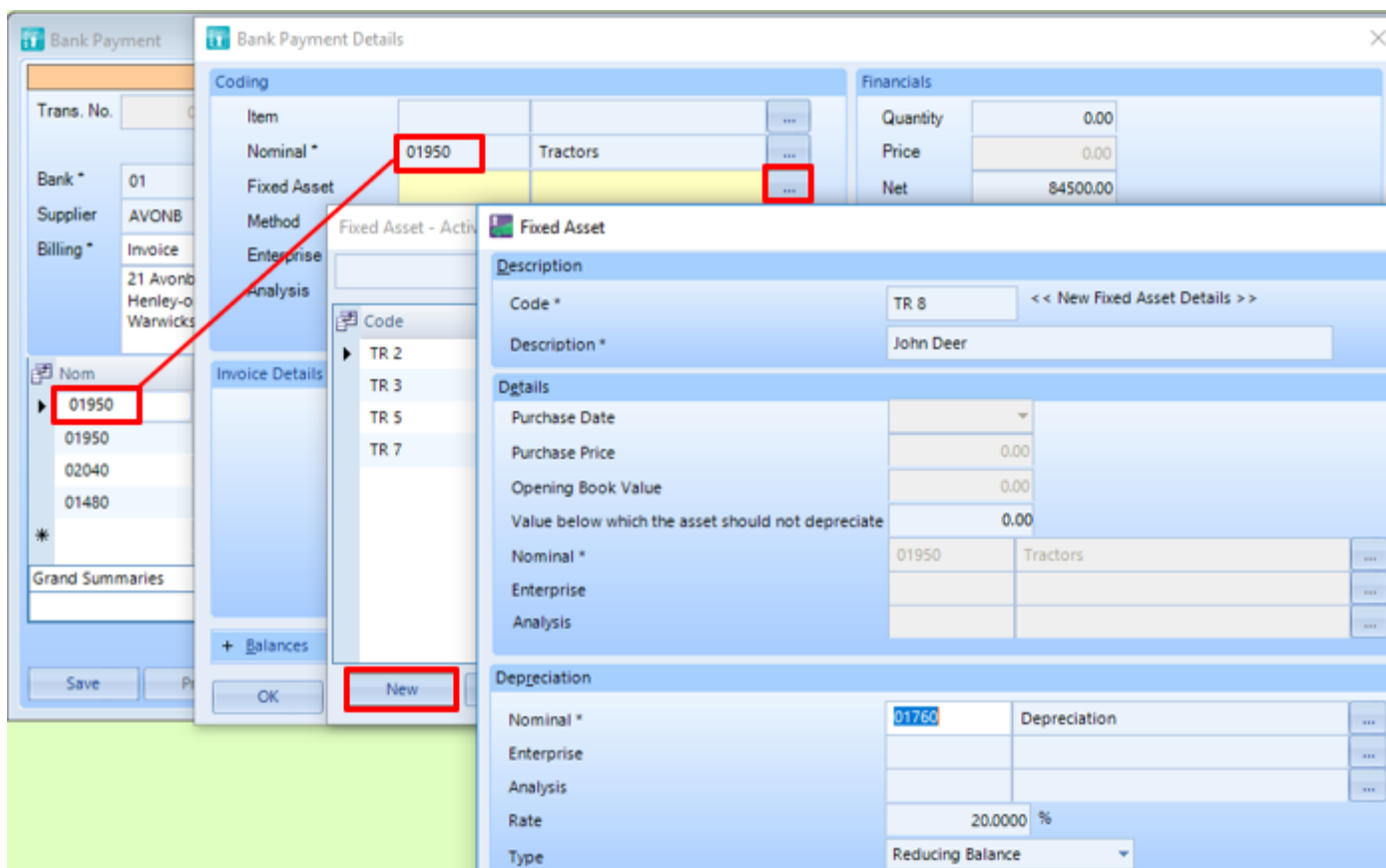
How do I Part Exchange a tractor with a new HP Agreement?

The principal is to make it simple. We suggest you don't put a Purchase Invoice on and a Credit Note and then pay it off, but simply put a BANK PAYMENT in for the value you have to pay initially.



Nominal Name	Description	Qty	Price	Net V	VAT	Gross	Inv. Ref. No	Inv. Date
Tractors	Purchase of new asset	0.00	0.00	84500.00	S	16900.00	101400.00	01/01/18
Tractors	Sale of existing asset	0.00	0.00	-25800.00	S	-5160.00	-30960.00	01/01/18
HP - John Deer	HP Liability nominal	0.00	0.00	-66000.00	O	0.00	-66000.00	01/01/18
Sundry Overheads	Administration fees	0.00	0.00	90.00	E	0.00	90.00	01/01/18
Grand Summaries				-7210.00		11740.00	4530.00	

On the FIRST line, enter your fixed asset nominal and set up the new asset you are buying.



Coding

Item		
Nominal *	01950	Tractors
Fixed Asset		...
Method	Fixed Asset - Activ	
Enterprise		
Analysis		

Fixed Asset

Description: John Deer

Code: TR 8

Details:

Nominal *	01950	Tractors
Enterprise		
Analysis		

Depreciation:

Nominal *	01760	Depreciation
Enterprise		
Analysis		
Rate	20.0000	%
Type	Reducing Balance	

On the SECOND LINE, enter the part exchange by choosing it from the list of assets, once the asset nominal is entered. Ensure you use the SALE option from the drop down box and ensure the value you enter is a negative.

If your trade in fixed asset is NOT listed use a Sundry Income nominal called Sale of Unlisted Fixed Assets

Coding		
Item		...
Nominal *	01950	Tractors ...
Fixed Asset	TR 5	NH Ford 190 Hp ...
Method	Sale	
Enterprise	Opening	
Analysis	Original Purchase	
	Addition	
	Credit Note	
Invoice Details	Grant	
	Sale	

On the THIRD LINE, enter the amount of the loan you have borrowed (this figure should not include the interest you will pay in the future on each repayment).

So firstly, create a new nominal in the LIABILITIES group of nominals, and then use this to enter the loan amount as a negative outside the scope of VAT (O).

On the FOURTH LINE, if it is applicable, enter the amount of your set up or arrangement fee, which can go to Bank Interest or HP interest or costs. It should be a nominal in your overhead section.