

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' window with the following fields and values:

- Account: Vehicle Purchases
- Account No.: (empty)
- Sub-account of: Cost Of Goods Sold
- Type: Cost Of Goods Sold
- Current Balance: \$0.00
- Inactive: ☐

At the bottom, there are three buttons: Cancel (with a red X icon), Ledger (with a magnifying glass icon), and OK (with a green checkmark icon).

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

The screenshot shows the 'Account Details' window with the following fields and values:

- Account: Vehicle Sales
- Account No.: (empty)
- Sub-account of: Parts
- Type: Income
- Current Balance: \$0.00
- Inactive: ☐

At the bottom, there are three buttons: Cancel (with a red X icon), Ledger (with a magnifying glass icon), and OK (with a green checkmark icon).

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

Purchasing and Selling Motor Vehicles

Item Form

Description: Stamp Duty & Transfer Fees

Details | Purchasing | Sales | Adjustments | Comments

Type: Other

Other Account: Vehicle Transfer Fees

Cost (Ex. Tax): \$0.00

Tax: E

Inactive: ☐

Included: ☐

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

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 details as per sample image below.

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

Purchasing and Selling Motor Vehicles

Part Form

Part: Part No.:

Details | Purchasing | Sales | Adjustments | Comments

Type: Recalc quantity first: ☐ Inactive: ☐

Category: ... Cost (Inc. Tax):

Income Account: ...

COGS Account: ...

SKU: Class:

Location: ...

Bar Code:

Units: Consignment: ☐

Price (Inc. Tax)

Standard:

Wholesale:

Trade:

Tax: ...

Included: ☒

Stock

On Hand: Min. Stock:

Total Value: Max. Stock:

Avg Value: Allocated:

On Order:

Purchase Units:

Alternative part: ...

Click OK to place inventory item on to bill.

Purchasing

Transactions to show

☐ Outstanding

Month to date: From: To: ☐ Due date

Bills

Date	Inv/Ref#	Supplier	Due Date	Total (Inc.)	Paid	Balance	Comments
18/7/20	1xhbmj2010	Jon's Secondhand Cars	18/7/20	\$10,000.00	\$10,000.00	\$0.00	Purchase Of Holden Barina Mj 2010

Total:

☐ View by supplier: ... ☐ Include sub-accounts ☐ View Invoice Number:

Make and record payment if required.

Purchasing and Selling Motor Vehicles

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 with the following details:

- Part:** Holden Barina Mj 2010
- Part No.:** HBMJ2010R
- Details Tab:** Selected
- Type:** Rebuild (dropdown)
- Inactive:** ☐
- Category:** Vehicles
- Income Account:** Parts - Vehicle Sales
- COGS Account:** Cost Of Goods Sold
- Bar Code:** PRT1218
- Cost (Ex. Tax):** \$9,172.73
- Price (Ex. Tax):**
 - Standard: \$0.00
 - Wholesale: \$0.00
 - Trade: \$0.00
- Rebuild Job:**
 - Opened: 18/7/20
 - Close button
- Rebuild Labour & Parts (Ex. Tax) Table:**

Item	Quantity	Cost (Ex.)	Total (Ex.)
Labour	1	\$81.82	\$81.82
HBMJ2010 - Holden Barina Mj 2010	1	\$9,090.91	\$9,090.91

Buttons at the bottom of the table: Add Part, Buy-In, Remove, Labour.

Bottom navigation bar: Cancel, Item Sales, Copy, OK.

Rebuilt parts allows 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.

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.

Purchasing and Selling Motor Vehicles

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.

New Charge Invoice - Opened 21/7/20

Client Details
John Underwood
23 Stafford Place, Cannington WA 6107
Home: 9875 8855 Work: 9856 9656

Parts & Labour

Item	Description	Type	Order	Quantity	Rate	Total (Ex.)	Tax Amt	Tax Code	Total (Inc.)	FP
CHARGE	Charge Invoice	Service		0	\$0.00	\$0.00	\$0.00	GST	\$0.00	
HBMJ2010R	Holden Barina Mj 2010	Rebuild		1	\$13,636.36	\$13,636.36	\$1,363.64	GST	\$15,000.00	

Work Performed

Notes

Summary

Item	Value
Total (Ex.)	\$13,636.36
Tax Total	\$1,363.64
✓ Rounding	\$0.00
Total (Inc.)	\$15,000.00

SA/SP:
Order #:
Source:

Buttons: Service, Part, Scan, Buy-In, Remove, Discount, Copy, Paste, Files, On/off, Labour, Report, Cancel, Client, Vehicle, Job history, Checklists, Print, Close, Order, Notes, Email, SMS, MyAC, Save, OK.

Close invoice as normal and receipt payment.

Step 4: Payment of VIC Road fees.

Click on Purchasing – New – choose supplier (VIC Roads) enter a reference number of 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.

New Bill

Details
☒ Bill ☐ Credit ☐ Purchase Order
Date: 21/7/20 Invoice/Ref#: HBMJ2020R
Supplier: Vic Roads Comments: Transfer Fees for Holden Barina MJ 2020
Terms: Cash Bill Due: 21/7/20
☐ Recurring Next

Items

Item	Description	Type	Job	Service	Quantity	Rate	Total (Ex.)	Tax Amt	Tax Code	Total (Inc.)
	Stamp Duty & Transfer Fees	Other			1	\$630.00	\$630.00	\$0.00	E	\$630.00

Sort Add Inventory Add Buy-In Add Other Scan Part View/Edit Remove

Bill ☒ Update Parts

Total (Ex.) \$630.00
Tax \$0.00
Total (Inc.) \$630.00

Buttons: Cancel, Job Card, Payment, OK.

Click on payment button and make payment as normal.

Process Completed.