

Prepayments / Income in Advance

- 1. Find the payment that has been received in the bank reconciliation.
- 2. Choose 'Find and Match'
- 3. New Transaction Receive Money
- 4. Change it from a Direct Payment to a Prepayment
- Enter the name of the contact. Ensure this will match
 EXACTLY with who you are invoicing.

Received as	Direct Payment -
	Direct Payment
rom	Prepayment
Ridgeway University	Overpayment

6. Choose the Prepayments account and ensure GST

tax rate is set to GST on Income (for payments-based GST returns)

7. Save the transaction and press **OK** to reconcile.

Rec	eived as Prepayment	nt 🗸							1
From Ridg	eway University	Date 9 Jul 2018	Invoi INV-0	ce # 042	Reference	Branding Standard 💌			
NZD	New Zealand Dollar						Amounts are	Tax Inclusive	•
	Description		Qty	Unit Price	Account	Tax Rate	Region	Amount NZD	
8	INV-0035		1.00	6,187.50	620 - Prepayments	15% GST on Income		6,187.50	\mathbf{X}
									\mathbf{X}

- 8. To allocate the Prepayment
 - a. If you have already created an invoice for the transaction (future dated), open the prepayment and allocate the credit via Prepayment Options.
 - b. Alternatively, open the invoice that is outstanding and it will show the credit outstanding.

Ridgeway University has 6,187.50 in outstanding credit. Credit this invoice

c. If you have not created an invoice yet the Prepayment will sit in the Awaiting payments tab. When an invoice is created for that contact a message will pop up when you approve the invoice asking if you would like to allocate the outstanding credit.

Allocate Outstanding Credit?	×
'Ridgeway University' has 6,187.50 in outstanding credit. Would you to allocate credit to this invoice?	like
Allocate Skip	

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				Allocate Credit	
				Edit	ta