

Number Crunchers *Where do the numbers come from? Where do they go? Master the Reports and Accounting features in Point of Rental.*

Point of Rental is all about numbers: time, income, Tax, depreciation, ROI, Utilization, etc. What are they based on, where do they come from, and what can you learn from them?

As you know, Point of Rental supplies numbers to other accounting programs such as Quickbooks or Sage/Peachtree for a complete financial picture of your business. What data is supplied and how? We shall review how this works and what you may be missing.

Basic Groundwork:

If you are currently using the software, you have already set the parameter that determines what accounting method you use to post income and are very unlikely to change it. Don't even ask. Closed accrual, Open Accrual and Cash Accounting are the three choices and drive how your income is posted to you general ledger as well as to the item records and thus various reports throughout the system.

With **Closed Accrual** accounting, the most common method, the income is posted when a contract goes to a closed or completed status. Closed means the equipment has been returned or the sale has been made but the balance has not been paid. Completed means the equipment has been returned and the balance paid. The contract will show on your contracts posted to totals report but you may have received no monies in payment, usually by account customers. Hopefully you will someday. If the contract is reopened, the income will un-post. The income figures in the item record are based upon when the item is closed on a contract. Note: If there is one item open a contract the contract has not closed and posted.

With **Cash** accounting, the income is posted when the contract is paid in full. If an open contract or a reservation has the rental/ sales amount paid in full, it has posted to totals. If the contract closes with a balance of any amount, the income will un-post. This can lead to some big fluctuations in your income figures. The exception is if an account contract is paid while open, a rather unlikely event, it won't post till closed. Don't ask me why, it just does. The income figures in an item record are based on when the contract is opened on a contract and may be adjusted up or down if the value changes at close.

With **Open Accrual** accounting, the least common method, the income is posted when the contract is opened whether it is paid or not. The income is posted to the item record likewise. Usually used in states with no sales tax.

Your general ledger entries are created when the end of day process is done so it is imperative that the process is done to get your totals on a timely basis.

Account Numbers for Store 001

Asset Accounts		Expense Accounts		Income Accounts	
Bank Deposits:	1020	Over Under:	6250	Rentals:	4000
Account Payments:	1020	Disbursements (default):	6000	Sales:	4020
Credit Cards:	1020	Miscellaneous:	6530	Asset Sales:	4030
American Express:		Depreciation:	6400	Dmg Waiver:	4080
Debit Cards:	1020	Cost of Asset Sales:	5800	Other Income:	4540
Added Cash:	1020	Cost of Goods Sold:	5700	Discounts Taken:	4900
Petty Cash:	1050	Repair Cost:	5100	Purchase Orders	
Accounts Receivable:	1100	Inventory Adjustments:	5850	Shipping:	Shipping
Equipment (default):	1510	Inter-Store Balance:		Tax:	Tax
Accum Deprc (default):	1710			Miscellaneous:	Misc
Sales Inventory (default):	1200			Expense (default):	Misc
				Accounts Payable:	

Liability Accounts		Miscellaneous	
Sales Tax Payable:	2310	Export Format:	QuickBooks <input type="button" value="Settings"/>
EnviroFee:	2320	Export Location:	c:\por\qb2\
Customer Deposits:	2440	Export Frequency:	Daily
Suspense Fund:	2480	QB Class:	Rental Stop #1
		Email:	
		Tax Item:	

Print OK Cancel

With this in mind let's review **Account Numbers** and how they affect your general ledger.

I. **Account number mapping.**

A. What accounts do you want or need to update.

- Asset Accounts
- Liability Accounts
- Expense Accounts
- Income Accounts
- Purchase Orders

Edit Item Category

Details		Account Numbers	
Category:	14	Income GL #1	4000.01
Description:	Air Compressors & Tools <input type="text"/>	Income GL #2	<input type="text"/>
Division:	Equipment <input type="text"/>	Income GL #3	<input type="text"/>
Department:	Equipment <input type="text"/>	Income GL #4	<input type="text"/>
Commission Lvl:	Item Level 1 <input type="text"/>	Income GL #5	<input type="text"/>
Default Sort:	<input type="text"/>	Asset Sales Income	<input type="text"/>
Max Discount:	<input type="text"/> 0% Non-discountable <input type="checkbox"/>	Equipment Account	<input type="text"/>
Style #1	<input type="text"/>	Depreciation Expense	<input type="text"/>
Style #2	<input type="text"/>	Sales Inventory	<input type="text"/>
Style #3	<input type="text"/>	Cost of Goods Sold	<input type="text"/>

B. Category Account Number Mapping

- Income accounts
- Asset Sales Income
- Equipment Account
- Depreciation Expense
- Sales Inventory
- Cost of Goods Sold

Edit Disbursement Item

Description

Number: 40

Store: 001

Name: REFUND BY COMPANY CHECK *f*

G/L Account: 1020

Inactive

Use as Account Payment Method

Use as Counter Payment Method

Separate GL Entry per disbursement

Maximum Disbursement

With Owner's Password: -2,000.00

With Manager's Password: -2,000.00

With Counter's Password: -2,000.00

With No Password: 0.00

OK Cancel

C. Disbursement Accounts Mapping

- Disbursements were originally used to account for and expense monies taken from a cash drawer to pay for something for the business (parts, office supplies, gas)
- They can now be set up disbursements to account for bad debt, check refunds, EFT payments and other purposes unrelated to the cash drawer.
- Since Version 2016 you can now set up a counter payment disbursement that allows you to take a payment at the counter as something other than cash, checks or credit cards. Check Refund is a common option.

Store Info | Setup | Printing | Contracts | Reports | Accounting | Item Rates | Display | Drawer

Accounting

General

Cash Accounting Method

January First month of Fiscal year

Monday First day of Work Week

GST Store's tax code

Allow Tax Exempt Selection

Closed Bill these contract status(es)

Closed, Open, & Reservation Customer Balance included status(es)

First In First Out Inventory Cost Method

Capitalize Extra Charges

Include Extra Charges in Inventory

0 Default Rental Period

100 Income Percentage used for ROI calc

Finance Charges

Age contracts from Open date

0.50 Minimum Finance Charge

45 Days until Finance Charges incur

1.50 Monthly Finance Charge %

Discount

0.00 Prompt Pay Discount %

100 Maximum discount %

Depreciation

0.00 Depletion %

Adjustments

Save Closed Account Mods as Adjustments

Save Closed Cash Mods as Adjustments

Set inventory qty changes to Pending

Review Before Billing

Sales Only - Cash

Sales Only - Account

Work Order - Cash

Work Order - Account

Closed - Cash

Closed - Account

Print OK Cancel Apply

D. Parameters that Affect the numbers

- Costing Method (FIFO , LIFO) - Accounting Tab- Applicable if COGS entries are made to the GL. Usually FIFO
- Capitalize Extra Charges - Accounting Tab
- Print GL entries: If not checked there will be no GL entries created. Reports Tab
- Adjustments - What this does and the implications and security issues that accompany this.

E. Reports to back up the numbers

- Cost of Goods Sold -Accounting Reports- Accounting Inventory Reports Menu
- Sold Asset Report -Accounting Reports - Fixed assets Reports Menu
- Posted to Totals Report -Accounting Reports - Accounting Reports Menu
- Category Income Report - If income is on accrual basis, this will match your entries by category. Not so cash.
- Sales Tax Report- Accounting Reports- Accounting Reports Menu
- Accounts Receivable Change Report
- Suspense Fund Change Report
- Saved System Reports

- Suspense Fund Detail Report
- Active Deposit Report
- In- Store Credit Report

F. Depreciation: Do we really want to go down this rabbit hole?

- Configuring Depreciation, Can now do so by purchase line.
- Data Management to configure depreciation
- Depreciation Reports
- Depreciation Schedules
- Section 179 and database management