How do you give an advance payment to a vendor?

At times you may need to pre-pay a vendor for a purchase. A duplicate purchase can arise when you receive the items through NumberCruncher and post Bill in QuickBooks. To avoid this do the following:

1. Create an 'Other Current Asset' (e.g. Prepaid Items)

2. When entering the check or credit card, use the account created in #1 to post it. Do not use the Items tab.

3. Receive the items in NumberCruncher and post the Bill in QuickBooks as usual.

4. Within QuickBooks open the Bill that was created and do the following:

a. Click the Expenses tab and pick the account created in #1. For 'Amount' put the negative of the amount on check created in #2. For example, if the check was for $3,000, put in -3000.

b. Reduce the Amount Due by the amount of the check. For example if the Amount Due was $4,000, then put change it to $1,000. You can also put in Amount Due of $0 if you prepaid the entire amount.

c. Press Save & Close.