

How to Write Off Returns A.K.A How to Clean out your Buckets

This guide will show you how to write off your part returns, your open cores, and your open warranties.

Why you must do this:

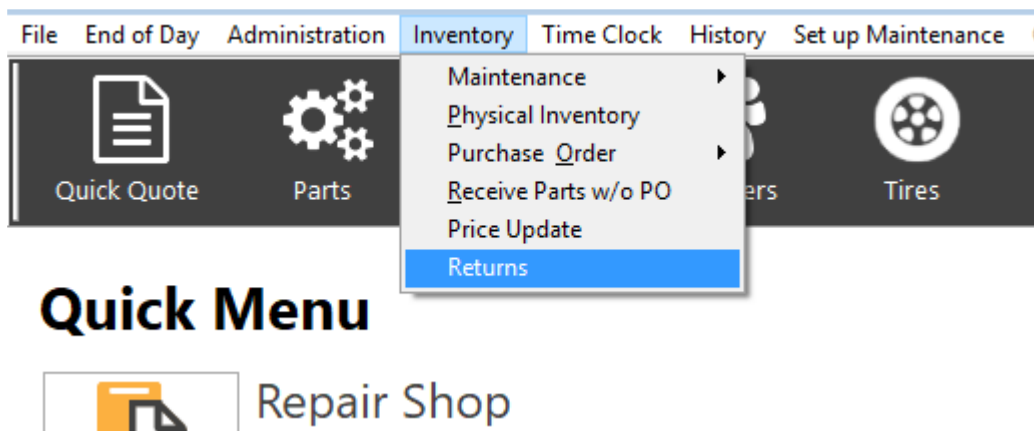
There are times that you may place items in the return bin and forget to process the credit from the vendor. Or maybe you did the vendor credit directly in your accounting program, such as QuickBooks. The value of the inventory in these buckets is still part of your Inventory Value with OP Parts report. If you post your data to QB, the receipt of the parts still increased inventory value and the return may or may not have been recorded.

If you received a core charge from a vendor, that value is still out there until the credit comes back from the vendor.

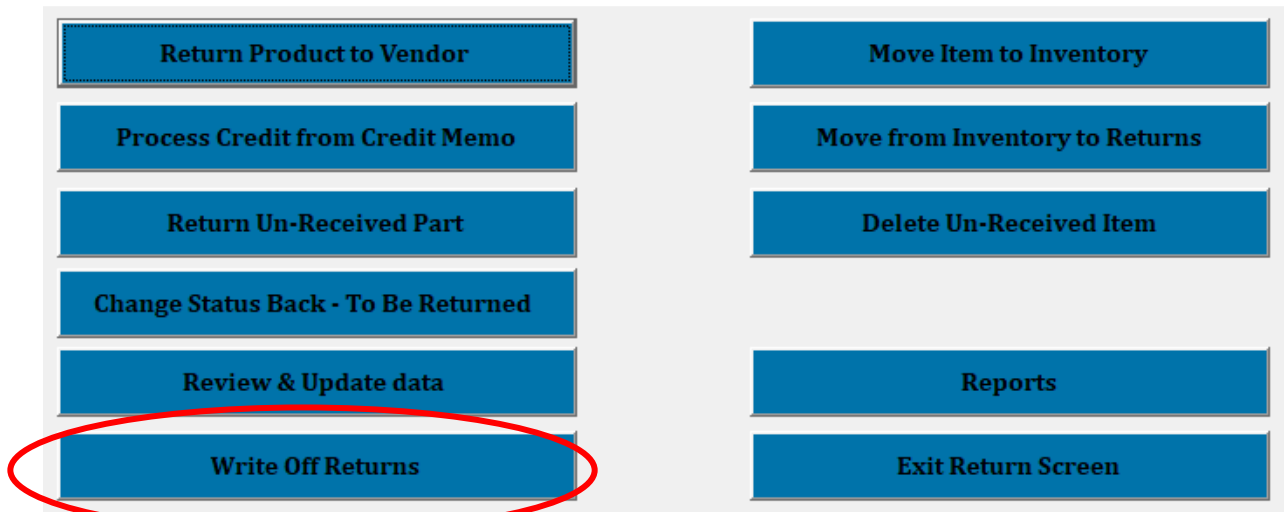
If you process a warranty invoice to a customer, your inventory value decreased the day of the ticket, but your warranty receivable asset was increased because you are expecting a credit from the vendor. If that warranty is actually in house, then you must write off the warranty here to relieve that asset and move the cost to expenses.

Instructions:

Choose Returns from the Inventory option at the top of your screen.



This brings you to the Return Menu. Choose the Write Off Returns option.



This lists all the returns. The first column is labeled T which simply means "Type". The three types are P for Parts, C for Cores and W for Warranties.

Big O

BIGO Vendor Returns :: Process Write Off's

Check All Uncheck All

Clear All Filters

	T	Return Status	Date In	Order#	Part#	Description	Original Vendor	Return Vendor	Date Returned	RG Ref#	Qty	Warr Claim #	Warr Type	Expect CR w/FET ea.	CR Recv'd w/FET ea.
<input checked="" type="checkbox"/>	P	Pend Credit	10/07/15	0	12	RET FRONT BRAKES	NAPA	NAPA	02/27/15	AP	1.00			0.00	0.00
<input type="checkbox"/>	P	To Return	01/07/16	0	30500604	RET-P245/70R16 106S OHTSU ST5000 OWL	BGO	BGO	//		2.00			60.40	60.40
<input type="checkbox"/>	P	Pend Credit	10/07/15	0	ACT12	RET-205/70R15 96S ARCTIC CLAW TX4 BLK		BGO	01/26/15	5726162	3.00			53.92	53.92
<input type="checkbox"/>	P	To Return	10/07/15	9204	008-17	LT235/85R16 BIG O BIG FOOT A/T ALL TERRA	CHECKER		//		1.00			25.00	25.00
<input type="checkbox"/>	P	To Return	10/07/15	9769	OPWHL	16X8 BLK AND MACHINED ULTRA	WHLCTY		//		4.00			105.95	105.95
<input type="checkbox"/>	P	To Return	10/07/15	19936	OPSS	FRONT SHOCKS	CHECKER		//		2.00			45.32	45.32
<input type="checkbox"/>	P	To Return	10/07/15	20480	OPTIRE	26X12.00 - 12 TRU POWER TRAC	INTER		//		1.00			58.40	58.40
<input type="checkbox"/>	P	To Return	10/07/15	21416	OPBP	REAR DISC BRAKES	CHECKER		//		1.00			154.32	154.32
<input type="checkbox"/>	P	To Return	10/07/15	23640	OPWHL	18X9 EAGLE 079	EAGLEWH		//		4.00			168.00	168.00
<input type="checkbox"/>	P	To Return	10/07/15	23775	OPFEP	IDLER ARM	CARGST		//		1.00			92.19	92.19
<input type="checkbox"/>	P	To Return	10/07/15	24222	H5004	F CALIPER BOLT/PIN	CHECKER	CARGST	//	5208283614	1.00			2.31	2.31
<input type="checkbox"/>	P	To Return	10/07/15	24328	OPBP	FRONT BRAKES	CHECKER		//		1.00			26.32	26.32

T Column:
P=Parts, C=Cores, W=Warranties

Post Write Offs Cancel Changes

Totals for Items Checked Total Qty **0.00** Total Credit **0.00**

Every column can be sorted. The initial sort order is Type (parts, cores, then warranties) and then Order Number. If you click the column header once, it will sort in ascending order and color the column header words blue. If you click the column header a second time, it sorts in descending order and will turn the column header words yellow. If you are wanting to write off everything as of a certain date, then you will want to do this first.

	T	Return Status	Date In	Order#	Part#		T	Return Status	Date In	Order#	Part#
<input type="checkbox"/>	C	To Return	08/27/15	72388	641029	<input type="checkbox"/>	P	To Return	10/07/15	23640	OPWHL
<input type="checkbox"/>	W	To Return	09/12/15	73043	38042	<input type="checkbox"/>	P	To Return	10/07/15	21416	OPBP
<input type="checkbox"/>	W	To Return	09/22/15	73326	48880584	<input type="checkbox"/>	P	To Return	10/07/15	20480	OPTIRE
<input type="checkbox"/>	W	To Return	09/30/15	73572	ACX86	<input type="checkbox"/>	P	To Return	10/07/15	19936	OPSS
<input type="checkbox"/>	W	To Return	10/02/15	73683	740-52	<input type="checkbox"/>	P	To Return	10/07/15	9769	OPWHL
<input type="checkbox"/>	P	Pend Credit	10/07/15	0	ACT12	<input type="checkbox"/>	P	To Return	10/07/15	9204	008-17
<input checked="" type="checkbox"/>	P	Pend Credit	10/07/15	0	12	<input checked="" type="checkbox"/>	P	Pend Credit	10/07/15	0	12
<input type="checkbox"/>	P	To Return	10/07/15	9204	008-17	<input type="checkbox"/>	P	Pend Credit	10/07/15	0	ACT12
<input type="checkbox"/>	P	To Return	10/07/15	9769	OPWHL	<input type="checkbox"/>	W	To Return	10/02/15	73683	740-52
<input type="checkbox"/>	P	To Return	10/07/15	19936	OPSS	<input type="checkbox"/>	W	To Return	09/30/15	73572	ACX86
<input type="checkbox"/>	P	To Return	10/07/15	20480	OPTIRE	<input type="checkbox"/>	W	To Return	09/22/15	73326	48880584
<input type="checkbox"/>	P	To Return	10/07/15	21416	OPBP	<input type="checkbox"/>	W	To Return	09/12/15	73043	38042

You can also filter each column by choosing the drop down above the column header. For example, you need to just see the Big O Warehouse parts, you can choose BGO from the Original Vendor column, and then choose Parts from the Type column.

Original Vendor	A1DEST	A 1 DEST
	AIRGAS	AIRGAS USA, LLC
	ALL	ALLSTAR ELECTRIC
	AMRAC	AMERICAN RACING EQUIPMENT
EAGLEWH	ATD	AMERICAN TIRES DISTRIBUTORS
CHECKER	BBOE	BLACKBURN OEM WHEEL SOLUTIONS
INTER	BDRV	B & D RV
CHECKER	BESTV	BEST VALUE WHEEL AND TIRE
	BGO	BIG O TIRE WAREHOUSE
WHLCTY	BSTDEL	BEST DEAL SPRINGS, INC
A CHECKER	CARQST	ROOSEVELT CARQUEST
	CASH	PETTY CASH
	CIN	CINTAS CORPORATION FIRST AID
NAPA	CINT	CINTAS CLOTHES
	CRU	CRUS OIL INC.
	DESERT	DESERT SPLASH OF VERNAL
	DEX	DEXTER MWR, LLC
	EAGLEWHL	AM EAGLE WHEEL
	FTPD	FLEET PRIDE
	HEAVEN	HUB CAP HEAVEN & WHEELS
OREILLY	/ /	1.00

Click the checkbox to the left of the row for each item you wish to write off. If you have a large number, you can choose the "Check All" box at the top to check everything and then uncheck the ones you wish to keep.

Big O

BIGO Vendor Returns :: Process Write Off's

Check All Uncheck All [Clear All Filters](#)

	T	Return Status	Date In	Order#	Part#	Description	Original Vendor	Return Vendor	Date Returned	RG Ref#	Qty	Warr Claim #	Warr Type	Expect CR w/FET ea.	CR Recy'd w/FET ea.
<input type="checkbox"/>	P	To Return	10/07/15	9769	0PWHL	16x8 BLK AND MACHINED ULTRA	WHLCTY		/ /		4.00			105.95	105.95
<input checked="" type="checkbox"/>	P	To Return	10/07/15	9204	008-17	LT235/85R16 BIG O BIG FOOT A/T ALL TERRA	CHECKER		/ /		1.00			25.00	25.00
<input checked="" type="checkbox"/>	P	Pend Credit	10/07/15	0	12	RET-FRONT BRAKES	NAPA	NAPA	02/27/15	AP	1.00			0.00	0.00
<input checked="" type="checkbox"/>	P	Pend Credit	10/07/15	0	ACT12	RET-205/70R15 96S ARCTIC CLAW TXI BLK		BGO	01/26/15	5726162	3.00			53.92	53.92
<input checked="" type="checkbox"/>	W	To Return	10/02/15	73683	740-52	225/60R16 BIG O EURO TOUR		BGO	/ /		1.00	MILE	MILE	-10.18	0.00
<input checked="" type="checkbox"/>	W	To Return	09/30/15	73572	ACX86	295/70R16 TBC ARCTIC CLAW XSI		BGO	/ /		4.00		POL	-7.44	0.00
<input checked="" type="checkbox"/>	W	To Return	09/22/15	73326	48880584	REAR ROTORS		OREILLY	/ /		2.00			40.78	0.00
<input checked="" type="checkbox"/>	W	To Return	09/12/15	73043	38042	PULLEY		OREILLY	/ /		1.00			0.00	0.00
<input checked="" type="checkbox"/>	C	To Return	08/27/15	72388	641029	CORE CHARGE	CARQST	CARQST	/ /		1.00			7.00	7.00
<input checked="" type="checkbox"/>	W	To Return	08/26/15	72188	007-77	235/65R17 BIG O BIG FOOT A/T ALL TERRAIN		BGO	/ /		4.00	PRD	WORK	-0.75	0.00
<input checked="" type="checkbox"/>	C	To Return	08/25/15	72388	5474400	CORE CHARGE	NAPA	NAPA	/ /		1.00			43.02	43.02
<input type="checkbox"/>	W	Pend Credit	08/21/15	72287	14439	LT265/75R16/E 123/120R BIG O BIG FOOT A/		BGO	09/10/15	09102015	1.00	U633106	RH	114.44	0.00

T Column: P=Parts, C=Cores, W=Warranties Post Write Offs Cancel Changes Totals for Items Checked Total Qty **19.00** Total Credit **236.78**

This is a close up of the left side of the window. As you can see, I have selected 3 Parts, 5 Warranties, and 2 Cores.

	T	Return Status	Date In	Order#	Part#	Description
<input type="checkbox"/>	P	To Return	10/07/15	9769	0PWHL	16X8 BLK AND MACHINED ULTRA
<input checked="" type="checkbox"/>	P	To Return	10/07/15	9204	008-17	LT235/85R16 BIG O BIG FOOT A/T ALL TERRA
<input checked="" type="checkbox"/>	P	Pend Credit	10/07/15	0	12	RET-FRONT BRAKES
<input checked="" type="checkbox"/>	P	Pend Credit	10/07/15	0	ACT12	RET-205/70R15 96S ARCTIC CLAW TXI BLK
<input checked="" type="checkbox"/>	W	To Return	10/02/15	73683	740-52	225/60R16 BIG O EURO TOUR
<input checked="" type="checkbox"/>	W	To Return	09/30/15	73572	ACX86	255/70R16 TBC ARCTIC CLAW XSI
<input checked="" type="checkbox"/>	W	To Return	09/22/15	73326	48880584	REAR ROTORS
<input checked="" type="checkbox"/>	W	To Return	09/12/15	73043	38042	PULLEY
<input checked="" type="checkbox"/>	C	To Return	08/27/15	72388	641029	CORE CHARGE
<input checked="" type="checkbox"/>	W	To Return	08/26/15	72188	007-77	235/65R17 BIG O BIG FOOT A/T ALL TERRAIN
<input checked="" type="checkbox"/>	C	To Return	08/25/15	72388	5474400	CORE CHARGE
<input type="checkbox"/>	W	Pend Credit	08/21/15	72287	14439	LT265/75R16/E 123/120R BIG O BIG FOOT A/T

This is a close up of the right side of the screen. Not all parts have a value, and the warranties do not show the Credit Received because that did not happen which is why we are writing things off. The Cores do have a value. It does not matter much what is here, because we are writing everything off.

Warr Claim #	Warr Type	Expect CR w/FET ea.	CR Recv'd w/FET ea.	
		105.95	105.95	..
		25.00	25.00	..
		0.00	0.00	..
		53.92	53.92	..
MILE	MILE ▼	-10.18	0.00	..
	POL ▼	-7.44	0.00	..
	▼	40.78	0.00	..
	▼	0.00	0.00	..
		7.00	7.00	..
PRO	WORK ▼	-0.75	0.00	..
		43.02	43.02	..
U633106	RH ▼	114.44	0.00	..

These are your Cores.

Big O

Brand	Part	Description	Qty	Credit Ea	Ext Credit	Susp Acct	Loss Acct	Adj Type
NBB	5474400	CORE CHARGE	1.00	43.02	43.02	9387	9387	CORE
NVP	641029	CORE CHARGE	1.00	7.00	7.00	9387	9387	CORE

Post

Cancel

Debit	Credit	GL Acct
0.00	50.02	9387
50.02	0.00	9387

This will debit and credit the same account, so there is no change to your profit and loss account.

And finally, these are your warranties.

Big O

Brand	Part	Description	Qty	Credit Ea	Ext Credit	Susp Acct	Loss Acct	Adj Type
BGO	007-77	235/65R17 BIG O BIG FOOT A/T ALL TERRAIN	4.00	-0.75	-3.00	1140	8090	WORK
GAT	38042	PULLEY	1.00	0.00	0.00	1140	8090	
NB	48880584	REAR ROTORS	2.00	40.78	81.56	1140	8090	
ARC	ACX86	255/70R16 TBC ARCTIC CLAW XSI	4.00	-7.44	-29.76	1140	8090	POL
BGO	740-52	225/60R16 BIG O EURO TOUR	1.00	-10.18	-10.18	1140	8090	MILE

Post

Cancel

Debit	Credit	GL Acct
0.00	38.62	1140
38.62	0.00	8090

This will relieve the Warranty Receivable Asset from your balance sheet and offset the Warranty Expense.

If you have AP Vouchers turned on, it produces three ap vouchers to a vendor named "WRITE OFF". The total value of these bills is zero. This does not produce a bill to be paid, or a bill credit to apply to a bill. However, the detail of these bills does make changes to your financials.

Invoice: WO14	Pay Type: CHARGE	WRITE OFF	Voucher Date: 12/11/2020
Vendor: WRITE OFF	PART WRITE OFF		Batch No: 0
Vendor Invoice Date: 12/11/2020			Invoice Amount: 0.00
Reference No: WRITE OFF			By:

Description	Amount	Glacct
WRITEOFF	-25.00	1240
WRITEOFF	-161.76	1320
3.00 - ARC ACT12 RET-205/70R15 96S ARCTIC CLAW	161.76	6650
1.00 - SS 12 RET-FRONT BRAKES	0.00	6650
1.00 - BGO 008-17 LT235/85R16 BIG O BIG FOOT A/T	25.00	6650
Total:	0.00	

Invoice: WO15	Pay Type: CHARGE	WRITE OFF	Voucher Date: 12/11/2020
Vendor: WRITE OFF	CORE WRITE OFF		Batch No: 0
Vendor Invoice Date: 12/11/2020			Invoice Amount: 0.00
Reference No: WRITE OFF			By:

Description	Amount	Glacct
WRITEOFF	-50.02	9387
1.00 - NBB 5474400 CORE CHARGE	43.02	9387
1.00 - NVP 641029 CORE CHARGE	7.00	9387
Total:	0.00	

Invoice: WO16	Pay Type: CHARGE	WRITE OFF	Voucher Date: 12/11/2020
Vendor: WRITE OFF	WRITE OFF		Batch No: 0
Vendor Invoice Date: 12/11/2020			Invoice Amount: 0.00
Reference No: WRITE OFF			By:

Description	Amount	Glacct
WARRANTY SUSPENSE	-38.62	1140
4.00 - BGO 007-77 235/65R17 BIG O BIG FOOT A/T ALL	-3.00	8090
1.00 - GAT 38042 PULLEY	0.00	8090
2.00 - NB 48880584 REAR ROTORS	81.56	8090
4.00 - ARC ACX86 255/70R16 TBC ARCTIC CLAW XSI	-29.76	8090
1.00 - BGO 740-52 225/60R16 BIG O EURO TOUR	-10.18	8090
Total:	0.00	

Report Totals: 0.00

A few notes about accounting if you post to QuickBooks:

You can choose to delete these bills in QuickBooks, but it is best if you leave them as is. I will break out the process by type.

Parts

When the store originally received the parts, the point of sale created a bill that debited (increased) inventory value. Once you delete the part off of the order, it moves the part to the return bin. QuickBooks inventory value has increased by the cost of the part and the Inventory Value with OP Parts still shows the part as part of your asset. When you return the part to the vendor, the proper process is to process the credit memo from the returns menu.

There are several things that can happen if you do not process the credit memo from the returns menu:

1. If you do not process the credit in the point of sale and process it in QuickBooks only, then your inventory value in QB no longer matches the inventory value in the POS. Then, when you write off the return, it decreases the inventory value in the POS and again in QB. Again, your QB inventory asset will not match the POS inventory value. In this case, you will want to remove the WRITE OFF bill in QB to remove that extra decrease to inventory value.
2. If you received a part in the POS and moved to the return bin, but really did not get an invoice from the vendor, it still creates an AP Voucher for that receipt. If you delete the original bill in QB for the receipt of the part because it was not real, then the QB inventory asset does not match the POS inventory value. In this case, you will want to remove the WRITE OFF bill in QB to remove that extra decrease to inventory value.
3. If you received a part in the POS and moved to the return bin, and the part is damaged and cannot be returned, or the part was stolen or lost and not returned, or you gave the part away to someone or yourself and it was not returned, then the bill is valid and has to be paid. You must write off the return and move that cost to cost of goods sold. You need to keep the WRITE OFF bill in QB because it is valid.

Cores

Just keep the WRITE OFF bill in QB. It does not affect anything as the detail is a wash.

Warranties

You need to keep this WRITE OFF bill in QB. When a part has been warrantied on a customer's ticket the inventory value is decreased (credited) at that time and the offset (the debit) goes to 1140 Warranty Receivable asset. The value stays here until you receive the credit from the vendor or warranty company. If you do not receive a credit, or this was an in-house warranty, then you must move the value from the asset on your balance sheet to the warranty expense on your P&L. The WRITE OFF bill does this for you.