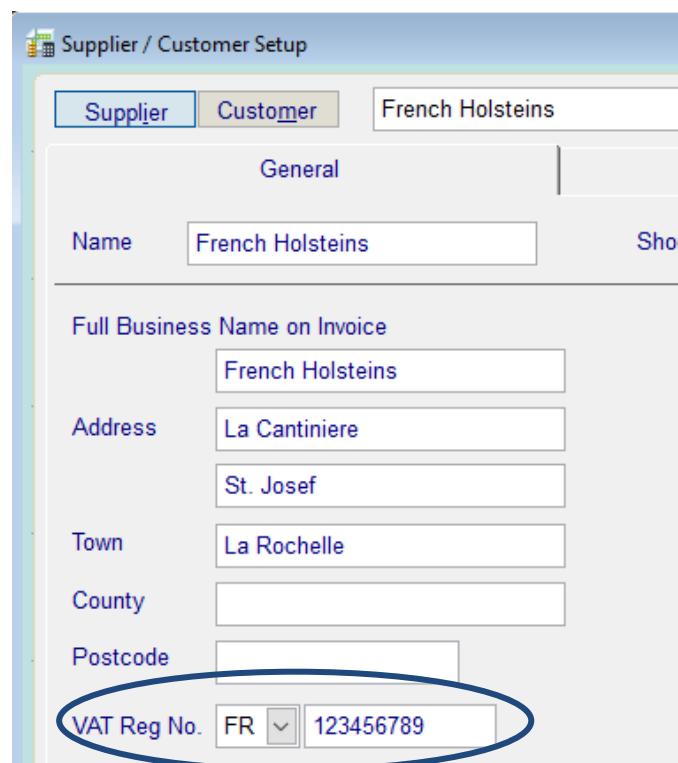


Purchases of goods from Europe

To enter purchases of goods from Europe into Business/Cash Manager which report the VAT correctly we recommend the following procedure.

1. In Setup > Suppliers/Customers > Supplier/Customer Setup ensure that the correct VAT country code is shown in the suppliers details.



2. When entering data against the supplier the VAT box will show the code 'U'.

Heading Code	AI (PU)	Description	Quantity 1	Price	Net	VAT	VAT Amount
Enterprise	Dairy 18	Semer	6.000	108.333	650.00	U	0.00
Subcode			Quantity 2		Gross		
Farm Code	Unassi -- Unassigned		0.000		650.00		
Searchcode	Unassigned						
Running Cost							

.....

3. The second line should be allocated to the heading code 'Input VAT A/c'.

Heading Code	Input VAT A/c (IV)	Description	Quantity 1	Price	Net	VAT	VAT Amount
Enterprise	Gen18 -- General 18	Itemised VAT : Input VAT	0.000	0.000	0.00	U	130.00
Subcode			Quantity 2		Gross		
Farm Code	Unassi -- Unassigned		0.000		130.00		
Searchcode	Unassigned						
Running Cost							

4. The third line should be allocated to the heading code 'Output VAT A/c' with the amount entered as a negative.

Heading Code	Output VAT A/c (OV)	Description	Quantity 1	Price	Net	VAT	VAT Amount
Enterprise	Gen18 -- General 18	Itemised VAT : Output VAT	0.000	0.000	0.00	U	-130.00
Subcode			Quantity 2		Gross		
Farm Code	Unassi -- Unassigned		0.000		-130.00		
Searchcode	Unassigned						
Running Cost							

5. An example of how the figures will show on the VAT return is shown below.

VAT due in this period on sales and other outputs	1	0.00
VAT due in this period on acquisitions from other EC Member States	2	130.00
Total VAT due (the sum of boxes 1 and 2)	3	130.00
VAT reclaimed in this period on purchases and other inputs (including acquisitions from the EC)	4	130.00
Net VAT to be paid to Customs or reclaimed by you (Difference between boxes 3 and 4)	5	0.00
Total value of sales and all other outputs excluding any VAT. Include your box 8 figure	6	0.00
Total value of purchases and all other inputs excluding any VAT. Include your box 9 figure	7	650.00
Total value of all supplies of goods and related services, excluding any VAT, to other EC Member States	8	0.00
Total value of all acquisitions of goods and related services, excluding any VAT, from other EC Member States	9	650.00

NB the purchase of services (U1) and reverse charge VAT (R) should be entered in a similar way but the exact boxes that are populated on the VAT return will be slightly different according the VAT status used.