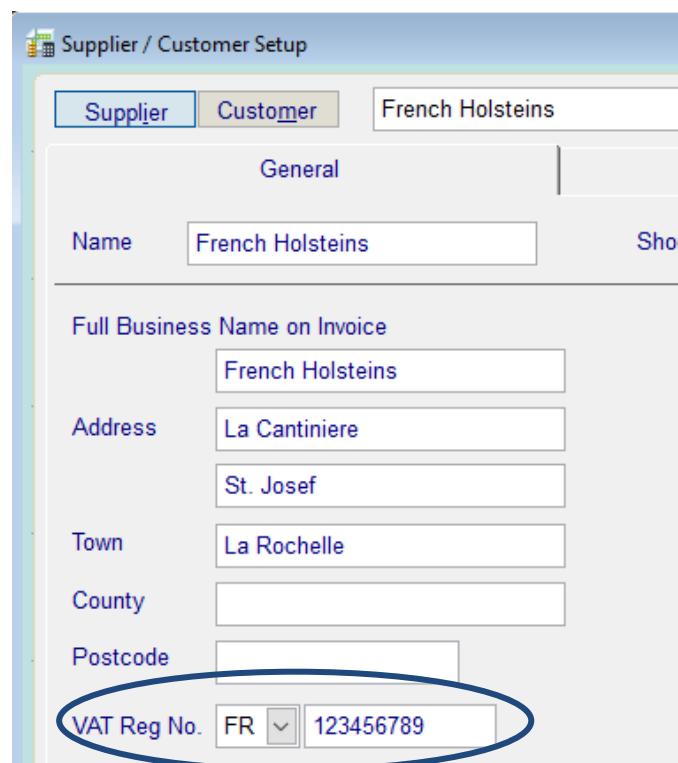


Purchases of goods from Europe

To enter purchases of goods from Europe into Cash Focus, 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.



Supplier / Customer Setup

Supplier Customer French Holsteins

General

Name French Holsteins Short

Full Business Name on Invoice French Holsteins

Address La Cantiniere

St. Josef

Town La Rochelle

County

Postcode

VAT Reg No. FR 123456789

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

Allocation	Description	Quantity	Price	Amount	VAT Rate	VAT Amount
Heading Code AI (PU) ?	Description Semen	Quantity 1 0.000	Price 0.000	Net 650.00	VAT U	VAT Amount 0.00
Searchcode Unassigned ?		Quantity 2 0.000		Gross 650.00		

.....

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

Heading Code	Description	Quantity 1	Price	Net	VAT	VAT Amount
Input VAT A/c (IV)	Itemised VAT : Input VAT	0.000	0.000	0.00	U	130.00
		Quantity 2		Gross		
		0.000		130.00		

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

Heading Code	Description	Quantity 1	Price	Net	VAT	VAT Amount
Output VAT A/c (OV)	Itemised VAT : Output VAT	0.000	0.000	0.00	U	-130.00
		Quantity 2		Gross		
		0.000		-130.00		

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.