

STAR Accounts

Frequently Asked Questions

How do I reclaim VAT on Purchasing Card Transactions?

If the supplier used is VAT enabled the amount downloaded to the school will be Nett of VAT. This Nett amount can then simply be journalled to the correct subjective code (see User Guide Section 11, Page 1). **Your Barclaycard statement should indicate whether a supplier is VAT enabled.**

If the supplier is not VAT enabled the amount downloaded will be the Gross figure (i.e. including VAT). If a valid VAT receipt for the transaction has been obtained the VAT must be reclaimed using one of the following processes.

Please Note: If a valid VAT receipt has not been obtained the Gross amount will need to be journalled to the correct subjective code (see User Guide Section 11, Page 1).

Step 1 – View Original Transaction

Transaction Date	28-May-08	
Customer/Supplier	Norfolk County Council	
Invoice Date	28-May-08	
Invoice Number	Download	
Gross	£117.50	← Using the 'Find' facility view the original downloaded transactions details on screen
Nett	£117.50	
Vat Rate	T 0.00%	
Vat	£0.00	
Details	Purchasing Card Transaction A	
Cheque Number	-1	
Cheque Date	28-May-08	
Order Number		
Order Date		

Enter Coding Details		<input type="checkbox"/> Future Year Payment
Subjective	4481	
Capital		
Department		
Bank Account	LMS	

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Step 2 – Enter a Negative Expenditure Transaction

This transaction **must** be coded to subjective code used in the original downloaded transaction (as above) i.e. **4481** and entered as a direct debit.

Voucher Number	2995
Transaction Date	23-Sep-08
Customer/Supplier	Norfolk County Council
Invoice Date	28-Aug-08
Invoice Number	Download
Gross	-£117.50
Nett	-£117.50
Vat Rate	T 0.00%
Vat	£0.00
Details	Purchasing Card Transaction
Cheque Number	DD 23/09/08 <input checked="" type="checkbox"/> Direct Debit <input type="checkbox"/> Cheque Printing
Cheque Date	23-Sep-08
Order Number	
Order Date	
Enter Coding Details <input type="checkbox"/> Future Year Payment	
Subjective	4481 Purchasing Card Charges (Recharge)
Capital	
Department	
Bank Account	LMS

Enter the negative expenditure transaction using the details as found above.

The Gross Amount must be entered as a negative figure.

Click 'OK' to the 'Duplicate Invoice Number' warning message

Click 'Yes' to the 'Expenditure is normally a debit' warning message

Remember to click the Direct Debit option

Step 3 - Enter an Additional Line to the Transaction

Within the coding details of the transaction entered in Step 2 click '**Multiple Coding**'. The additional line **must** be the correctly coded transaction:

Multiple Coding							
Multiple Coding Transaction							
Transaction Total		Net	-		£17.50		
		Vat	£17.50				
		Gross	£0.00				
Details	Subjective	Department	Capital	Net	Vat Rate	Vat	Gross
<input checked="" type="checkbox"/> Purchasing Card Transaction	4281			£100.00	S	£17.50	£117.50

Enter the coding details required along with the '**Nett**' amount and '**VAT Rate**'.

Transaction Total	Net	-£17.50
	Vat	£17.50
	Gross	£0.00

The cumulative effect of the correcting transaction should total to £0.00 (Gross) with the correct amount of VAT to be claimed.

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Step 4 – Reconcile the Transactions

Reconcile Transactions

Bank Account: LMS

Find

V/N	Date	Supplier Name	Cheque No.	Gross	Cheque No.	Supplier Name	Value
2995	23/09/2008	Norfolk County Council	DD 23/09/08	£117.50	500332	ESPO	121.26
2995	23/09/2008	Norfolk County Council	DD 23/09/08	£117.50	500333	Harrolds Office Equipment	298.99
					500334	Daynes Office Supplies	791.92
					DD 23/09/08	Norfolk County Council	0.00

Statement No. 999999

Within the Bank Reconciliation screen an entry should now appear with a value of £0.00 for Norfolk County Council against the direct debits you have entered (DD & Date entered). This is the cumulative result of the two transactions entered in Steps 2 and 3.

These two transactions should be reconciled against Statement No: **999999**.

Step 5 – View Transaction Report

To ensure the entry has been correctly accounted for view the 'Transactions Report' selecting the current period, subjective code example 4481 and the second subjective code used (in this case 4281) as the filter options.

	Subjective	Capital	Department	Staff Code	Customer/Supplier	Period	Rec	Nett	Vat	Gross
1 -	4481				Norfolk County Council	7	999999	£117.50	£0.00	£117.50
2 -	4481				Norfolk County Council	7	999999	-£117.50	£0.00	-£117.50
3 -	4281				Norfolk County Council	7	999999	£100.00	£17.50	£117.50
					Grand Total			£100.00	£17.50	£117.50

There should be three transactions shown on the report – two transactions coded to 4481 that cancel each other out and one transaction using the correct subjective code and VAT details.