

## 1. How to calculate the VAT

### Procedure

At the end of the VAT period, when all of the final Month's invoices and statements have been entered and processed on SQLWorks; when the Audit has been processed and the End of Period Reports have been printed and checked, you are ready to process and pay the VAT.

This procedure is step 1 of the 3-stage process – 1. Calculate, 2. Submit & 3. Process payment.

1. Click on 'VAT Ledger' found in the 'Nominal' section of 'Accounts' on the Navigation Bar. Select the Period you have just processed, right-click and select the 'Calculate Tax' option.

2. If you have recently signed up for MTD on the HMRC website, you may receive the following error message if it has not yet gone live, if you do please wait 72 hours from when you submitted your information with HMRC.

- The following warning box will appear, if you are planning to submit your VAT period, select Yes which will lock the quarter, if you would just like to calculate, select No.

The screenshot shows the SQLWorks VAT Ledger interface with a warning dialog box overlaid. The dialog box contains the following text:

**Warning**

If submitting this qtr you should lock to ensure no other transactions are added between calculation and submission

Lock VAT period 18/07 from allowing new transactions now?

Buttons: Cancel, No, Yes

The background shows the VAT Ledger with columns for Input Group (July, August, September) and Output Group (July, August, September). Each group has columns for Net, Inpt VAT, (EC) Nett, and (EC) VAT. The data is organized by month and then by transaction type (PL, CL, PCL, NL).

- Messages will ask if you want to carry out optional checks on data integrity and Transactions for control accounts, before calculation. You can choose to say 'No' to these.

The first screenshot shows a message dialog box asking: "Check data integrity before calculation?". The buttons are No and Yes.

The second screenshot shows a message dialog box asking: "Check Trans for nominal control accounts before calculation?". The buttons are No and Yes.

Both screenshots show the VAT Ledger interface in the background, with columns for Code, Start Date, Finish Date, and Locked status.

- If you do wish to carry out the checks, entries such as nominal combinations not previously used or those with zero value, will be displayed for your approval. Click OK, then 'Yes' to continue.

Sales Ledger - Linked Records Report

The following 1 header record(s) have different company and slaccs links

SLH_PKEY	SLH_AMOUNT	SLH_VAT	SLH_INO	SLH_DATE	SY	SLH_COPY_CLIENT/SLH_COPY_SLACC
1010419	41.67	8.33	14138	27 Nov 2012	1	Miscellaneous S... 915

Buttons: Cancel, OK

The screenshot shows the VAT Ledger interface with a message dialog box overlaid. The dialog box contains the following text:

**Message**

Checks Finished - Continue VAT Calculation?

Buttons: No, Yes

The background shows the VAT Ledger with columns for Code, Start Date, Finish Date, and Locked status.

- If these checks display entries that you wish to investigate or amend before calculating the tax, click 'No' and follow steps 1 to 3 when you are ready to proceed.

Box	Current	New	Difference
Box 1	0.00	26266.19	-26266.19
Box 2	0.00	0.00	0.00
Box 3	0.00	26266.19	-26266.19
Box 4	0.00	14687.15	-14687.15
Box 5	0.00	11579.04	-11579.04
Box 6	0.00	131455.00	-131455.00
Box 7	0.00	150969.00	-150969.00
Box 8	0.00	0.00	0.00
Box 9	0.00	0.00	0.00

9 Records

Cancel OK

- The results of the calculation are now prompted, A VAT difference box will then appear for you to click 'OK' to save the calculated values. If you click Cancel the Form 100 Values will still be withdrawn but not saved.

- The VAT Ledger is now populated with the calculated values which can be also checked by clicking any of the buttons above or aside the monthly values on the input and output sides of the VAT Ledger window, such as 'Inpt VAT' for January circled in the diagram. Each button generates a report that can also be printed if required. These reports are particularly useful because they have a 'check' column which shows the % VAT for each entry, so that deviations from the current VAT rate can be easily spotted.

Input Group	Net	Inpt VAT	(EC) Net	(EC) VAT
January	14725.26	2728.74	0.00	0.00
PL	3422.67	7.50	0.00	0.00
CL				

Output Group	Net	PCL	NL	SL
January	79914.23	753.26	0.00	0.00
February	15726.75	475.15	0.00	0.00
March	35885.29	0.00	0.00	0.00

Form 100 Group	1	2	3	4	5
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00

- Print, preview or save the VAT Statement to file by right-clicking again on the VAT period and select 'VAT Form 100' which will allow you to print/save this doc. The diagram below has no values, but yours will have the amounts shown in each field.

Totals Group	VAT Input	VAT Output	EC VAT Input	EC VAT Output
0.00	0.00	0.00	0.00	0.00
Balance	0.00	0.00	0.00	0.00
Acumulative	0.00	0.00	0.00	0.00

Form 100 Group	1	2	3	4	5	VAT Fine	VAT Paid
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00	0.00	0.00

VAT Form 100