

VAT & GA PROCEDURES



Here are the suggested procedures for VAT and Gift Aid. We have included the accounts that are debited and credited to help explain the process.

VAT Procedure

STATION Enters a Payment with reclaimable VAT

CR Station bank account	£144	Station 008
DR Expenditure account	£120	Station 008
DR VAT Control 9350	£24	Station 008

HEAD OFFICE Closes VAT Period

CR VAT Control 9350	£24	Station 008
DR VAT Payable 9355	£24	Station 008

HEAD OFFICE Receive Money from HMRC and enters a Receipt

DR HO Bank account	£24	General
CR VAT Holding account 9342	£24	General

Head Office pay the station by doing a transfer in their bank account (online banking etc)

HEAD OFFICE Enters a Payment when the money has left their bank account

CR HO Bank account	£24	General
DR VAT Holding account 9342	£24	General

STATION Enters a Receipt when they see the money in their bank account. They will need to remember to enter the receipt code as 9355 and NOT an income (receipt) code. Make sure the VAT code is 8.

DR Station Bank account	£24	Station 008
CR VAT Payable 9355	£24	Station 008

Gift Aid Procedure

STATION Enters a Gift Aid Donation

DR Bank	£400	Station 008
CR GA Dons account 2130	£400	Station 008
DR Gift Aid Recoverable 9340	£100	Station 008
CR GA Tax Claimed 2140	£100	Station 008

HEAD OFFICE Receive Money from HMRC and enters a Receipt

DR HO Bank account	£100	General
CR Gift Aid Holding account 9341	£100	General

Head Office pay the station by doing a transfer in their bank account (online banking etc)

HEAD OFFICE Enters a Payment when the money has left their bank account

CR HO Bank account	£100	General
DR Gift Aid Holding account 9341	£100	General

STATION Enters a Receipt when they see the money in their bank account. They will need to remember to enter the receipt code as 9340 and NOT an income (receipt) code. Make sure the VAT code is 8.

DR Station Bank account	£100	Station 008
CR Gift Aid Recoverable 9340	£100	Station 008