

Recording an Expense Claim

When an employee or director of a business claims the reimbursement of expenses incurred due to a business activity, the value of the claim needs to be recorded. There is a convenient specific transaction for this purpose.

To record a mileage claim:

- ◆ Ensure details of the employee are setup.
- ◆ If the business is subject to IR35, set up contracts
- ◆ If you are using Branch analysis, ensure branches are set up
- ◆ If you are collecting expense details for taxation P11D purposes, ensure the feature is activated and the appropriate employee is set up. (Please contact your accountant for more information.)
- ◆ Decide how the claim will be paid, either a cheque or to a Directors Current Account
- ◆ Create the Expense Claim

IR35 Contracts

IR35 Contract Data is also set up via the **ADD-INS** menu.

ADD-INS → IR35 → ADD CONTRACT

Enter details in the IR35 Contract Maintenance Screen. More Information is available in the **Working with IR35** user guide.

Branches

Sales Item Information is also set up via the **LISTS** menu.

LISTS → BRANCHES → ADD BRANCH

Enter details in the Branch Maintenance Screen. More Information is available in the **Using Branches** user guide.

P11D and Employee

P11D recording is activated via the **Optional Features** tab, under the **Profile**

ENTITY NAME → PROFILE → OPTIONAL FEATURES

Activate P11D recording by checking **Allow P11D recording?** Further information is available both from your accountant and the **Reporting for P11D and NIC** and **Setting up Officers & Employees** user guides. Ensure that the appropriate employee is set up.

LISTS → OFFICERS/EMPLOYEES → ADD NEW

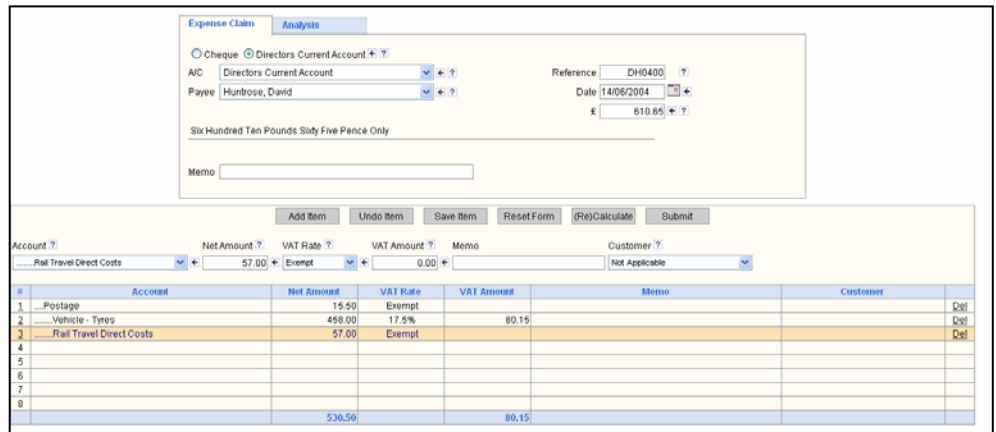
Creating an Expense Claim

The expense claim screen is accessed via the **ACTIVITIES** menu.

ACTIVITIES → STAFF EXPENSES → RECORD EXPENSE CLAIM → Expense Claim Tab

Note that if the **Prompt for Analysis** box (set in **Profile**) is ticked then when transactions are entered which require analysis to branches, IR35 or P11D reporting; the analysis tab is presented first by default so that the required analysis is not forgotten.

- ◆ The payment options are to use a **Cheque** or a **Directors Current Account**, click on the button. The **Account (A/C)** options will vary depending on the payment method. Selecting a cheque requires you to choose on which bank account the cheque is drawn. If not a cheque the appropriate **Directors Current Account** needs to be selected.
- ◆ Select the **Payee** from the list
- ◆ The **MEMO** field can be used to enter free format descriptive text, it can be left blank.
- ◆ Enter a **Date**
- ◆ If a cheque has been selected, enter the **Cheque No.**, if not a **Reference** can be entered.
- ◆ The line items that make up the transaction now need to be added. A line item is a particular expense claim. In many instances there may only be the one.
- ◆ **ADD ITEM** accesses the detail input. Select the **Expense Account** followed by the **Net Amount** (Or gross if not VAT registered), select the **VAT rate** and the **VAT amount** is calculated, amend if necessary.
- ◆ Enter a **MEMO** entry if required.
- ◆ If the expense needs to be related to a particular **Customer**, because it is an expense that will be reimbursable by the customer, select the Customer from the drop down list.
- ◆ **SAVE EDIT** confirms the entry. Further Line items can be entered by clicking on **ADD ITEM** on each occasion. **UNDO EDIT** cancels the current line item data. **UNDO ALL EDITS** cancels all line item inputs.



#	Account	Net Amount	VAT Rate	VAT Amount	Memo	Customer
1	Postage	15.50	Exempt	0.00		
2	Vehicle - Tyres	458.00	17.5%	80.15		
3	Rail Travel Direct Costs	57.00	Exempt	0.00		
		530.50		80.15		

Analysis Tab

The analysis tab allows for further details to be added for recording if the business is using the Branches and/or the IR35 features and/or P11D recording. If these features are not in use, nothing needs to be added in the analysis tab.

- ◆ Select an **Associated IR35 contract** if appropriate (consult your Accountant if you are unsure.) Also see the **Working with IR35** user guide.
- ◆ Select an appropriate **Branch** if this invoice is to be analysed to a branch
- ◆ Select an **employee for P11D purposes** from the drop down.
- ◆ When all line items have been entered as required, clicking on **(RE)CALCULATE** ensures that all value extensions are correct. When the expense claim is complete clicking **SUBMIT** saves and confirms the transaction.

Editing an Expense Claim

After an expense claim has been created it may be edited. If an expense claim has been included in a VAT return or reconciled then the details of the transaction may only be viewed they cannot be changed or the transaction deleted. Likewise if a transaction is dated in a closed financial year it also cannot be changed.

It is easiest to locate a particular transaction by listing the cheques, if a cheque was used to make the payment or by locating the transaction in the relevant Directors Current Account

LISTS → CHEQUES

OR

ACCOUNTS → LIABILITY ACCOUNTS → DIRECTORS CURRENT ACCOUNT

- ◆ Locate the relevant transaction and click on **EDIT**
- ◆ The full expense claim screen (see above) is displayed with the current data.
- ◆ Edit the data as necessary
- ◆ When editing line item entries, highlight the appropriate line by clicking on it. The information appears in the edit line. Amend as necessary and **SAVE EDIT** to complete.
- ◆ When all changes have been made, clicking on **(RE)CALCULATE** ensures that all value extensions are correct. Clicking **SUBMIT** saves and confirms the transaction.