

Using Credit Cards

Setting up a Credit Card Account

As many credit card accounts as necessary may be set up, the Information needed is

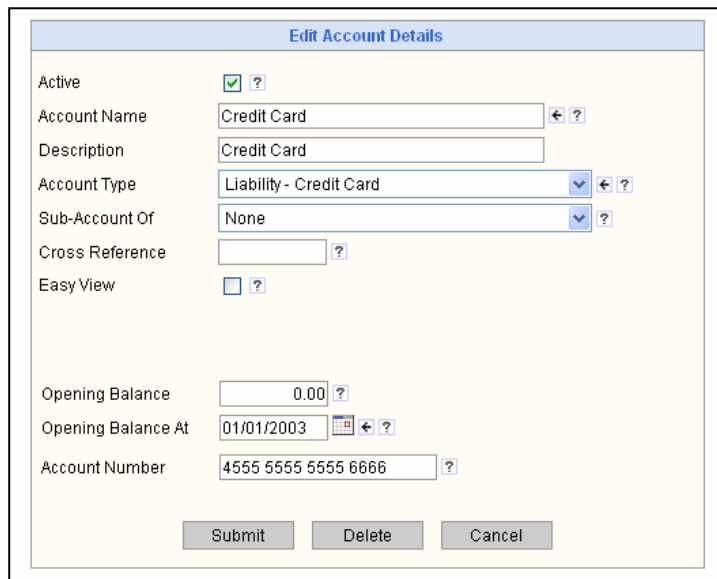
- ◆ Name and details of the account.
- ◆ If not a new account , a statement

ACCOUNTS → ADD A CUSTOM ACCOUNT

If an entity is not registered for VAT, then there will be no references to VAT in the displayed screens, also therefore ignore references to VAT in the guide below.

The Edit account details screen is shown:

- ◆ As the account will be active leave the box checked.
- ◆ Name the account in **ACCOUNT NAME**, add a description if required in the **DESCRIPTION** box.
- ◆ Select the **ACCOUNT TYPE** from the drop down box. If you are not sure as to the account type, seek guidance from your accountant or advisor.
- ◆ Select from drop-down list if the account being created is a **SUB-ACCOUNT OF** an existing account. N.B. expense accounts will automatically be assigned to administration costs if no value for "**Sub-Account Of**" is specified.
- ◆ The **CROSS REFERENCE** field is used to relate to an alternative chart of accounts. You would not normally enter a value here unless your accountant asked you to. This field is useful if your accountant has their own standard chart of accounts defined for generation of statutory year end accounts.
- ◆ Selecting **Easy View** option for an account will display the balance of the account on the business home page. Unselect to reverse. This is equivalent to clicking on the '+' in the accounts display list and can be reversed in the same way.
- ◆ If the account is new then the **Opening Balance** will be zero, if not enter the balance from the credit card statement. Confirm the date of the opening balance in the **Opening Balance At** field.
- ◆ Enter the **Account Number**.
- ◆ Click the **SUBMIT** button to confirm the account.



The screenshot shows the 'Edit Account Details' form with the following fields and values:

- Active: ?
- Account Name: Credit Card
- Description: Credit Card
- Account Type: Liability - Credit Card
- Sub-Account Of: None
- Cross Reference: ?
- Easy View: ?
- Opening Balance: 0.00 ?
- Opening Balance At: 01/01/2003
- Account Number: 4555 5555 5555 6666 ?

Buttons: Submit, Delete, Cancel

Editing an Account Details

If an account is not a system account, its profile details can be amended.

ACCOUNTS → Bank/Credit Accounts → EDIT the relevant account

From the Account Display List click **EDIT** and the Edit Account Details screen is displayed with the current account details.

Edit the details (see above) as required and **SUBMIT** to save the changes.

Using a Credit Card Account

Once a credit card account has been set up it is ready to record transactions.

- ◆ Ensure details of the supplier 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.)
- ◆ Create the Credit Card Transaction

Supplier Details

Supplier details are entered via the **LISTS** menu.

LISTS → SUPPLIER → ADD SUPPLIER

Enter details in the Supplier Maintenance Screen. More Information is available in the **Setting up a Supplier** user guide.

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

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

ENTITY NAME → PROFILE → OPTIONAL FEATURES

Activate P11D recording by ticking 'Track Employee Expenses and Branches' Payroll will also need to be activated (even if not being used for pay purposes) Further information is available both from your advisor and the **P11D and On-line Filing and Setting up Officers & Employees** user guides. Ensure that the appropriate employee is set up.

LISTS → OFFICERS/EMPLOYEES → ADD NEW

Creating a Credit Card Transaction

Creating a credit card transaction is accessed via the **ACTIVITIES** menu

ACTIVITIES → ENTER CARD TRANSACTION → CREDIT CARD → CREDIT CARD 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.

Credit Card
Analysis

Charge Refund * ?

A/C * ?

Payee * ?

One Hundred Forty One Pounds Only

Memo

Reference ?

Date *

Tax Point ?

£ * ?

Purchase File Ref. **TBA** ?

(A)dd Item (U)ndo Item (S)ave Item (R)eset (C)alc Submit

Account ?

Net Amount ?

VAT Rate ?

VAT Amount ?

Memo

Customer ?

*

*

*

*

#	Account	Net Amount	VAT Rate	VAT Amount	Memo	Customer	
1	...Client Entertainment	120.00	17.5%	21.00			Del
2							
3							
4							
5							
6							
7							
8							
		120.00		21.00			

- ◆ Indicate the type of card transaction, selecting either charge (the default) or a refund
- ◆ Select the credit card **Account (A/C)** to which the transaction is relevant.
- ◆ Select the **Payee** from the dropdown list.
- ◆ Enter any **REFERENCE** information as necessary
- ◆ The **DATE** defaults to to-days date, this to can be amended. This date is the transaction date for system recording.

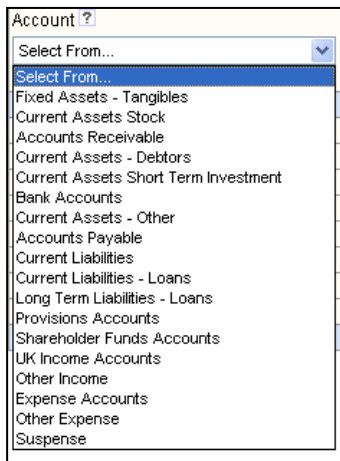
- ◆ If the **TAX POINT** of the transaction for VAT purposes is different, enter the correct date in the Tax point field. Leave blank if not used.
- ◆ Use the **MEMO** field to enter free format descriptive text. It can be left blank.

Note the system will provide a **Purchase File Reference** number (that may be used in a document filing process) when the transaction is SUBMITTED and until that happens the field displays TBA (To be Assigned).

The line items that make up the transaction now need to be added. A line item is a particular purchase item shown on the transaction. In many instances there may only be the one.

- ◆ **ADD ITEM** accesses the line item input. Select the **ACCOUNT** from the dropdown.

A selection dropdown appears; defaulted to Expense type



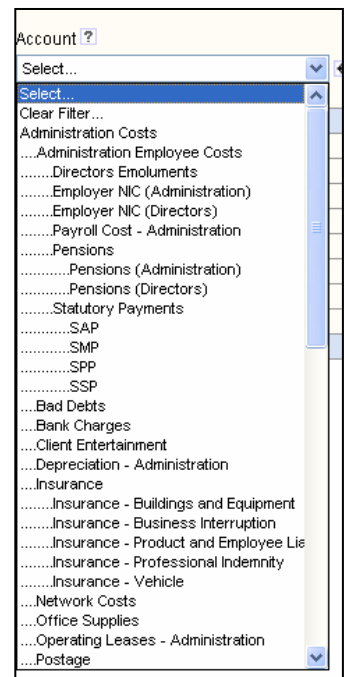
Account ?

Select From...

Select From...

- Fixed Assets - Tangibles
- Current Assets Stock
- Accounts Receivable
- Current Assets - Debtors
- Current Assets Short Term Investment
- Bank Accounts
- Current Assets - Other
- Accounts Payable
- Current Liabilities
- Current Liabilities - Loans
- Long Term Liabilities - Loans
- Provisions Accounts
- Shareholder Funds Accounts
- UK Income Accounts
- Other Income
- Expense Accounts
- Other Expense
- Suspense

accounts, if another account is required click **clear filter** and then select again from a list of account types and then from the accounts under the chosen account type.



Account ?

Select...

Select...

Clear Filter...

- Administration Costs
- Administration Employee Costs
- Directors Emoluments
- Employer NIC (Administration)
- Employer NIC (Directors)
- Payroll Cost - Administration
- Pensions
- Pensions (Administration)
- Pensions (Directors)
- Statutory Payments
- SAP
- SMP
- SPP
- SSP
- Bad Debts
- Bank Charges
- Client Entertainment
- Depreciation - Administration
- Insurance
- Insurance - Buildings and Equipment
- Insurance - Business Interruption
- Insurance - Product and Employee Li
- Insurance - Professional Indemnity
- Insurance - Vehicle
- Network Costs
- Office Supplies
- Operating Leases - Administration
- Postage

- ◆ **ADD ITEM** accesses the Account input. Select the **ACCOUNT** from the dropdown. Default value, if it exists, for **VAT RATE** (If VAT registered) is shown. The default may be overridden.
- ◆ Enter the **NET AMOUNT** of the line item, the **VAT AMOUNT** is automatically calculated from the **VAT RATE**. It can be overridden 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.

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 credit card data is complete clicking **SUBMIT** saves and confirms the transaction.

A confirmation message appears at the top of the screen together with the unique **Purchase File Reference Number**.

Editing a Credit Card Transaction

After a credit card transaction has been created it may be edited. If a credit card transaction 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 details of the appropriate credit card account.

ACCOUNTS → BANK/CREDIT ACCOUNTS → VIEW relevant account

- ◆ Locate the relevant transaction and click on **EDIT**
- ◆ The full **Credit Card Transaction** screen (see above) is displayed with the current data.
- ◆ The **Purchase File Reference Number** will also display on the screen.
- ◆ 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.

Paying off credit cards

A credit card payment to the credit card organisation will be either a cheque or an electronic transfer (Direct debit or standing order). See the appropriate user guide for details; **Writing a cheque** or **Record Electronic Payments**.

Reconcile a Credit Card Account.

It is good practice to regularly reconcile a credit card account to the statement from the credit card organisation. The process is exactly the same as for a bank account. See the **Bank Reconciliation** user guide for details.

