

Guidance on calculating figures for the VAT Compensation Claim in Surf Accounts

You will need the following amounts when submitting a claim:

- Total Income
- Qualifying Income
- Qualifying tax
- Claim amount

Total Income

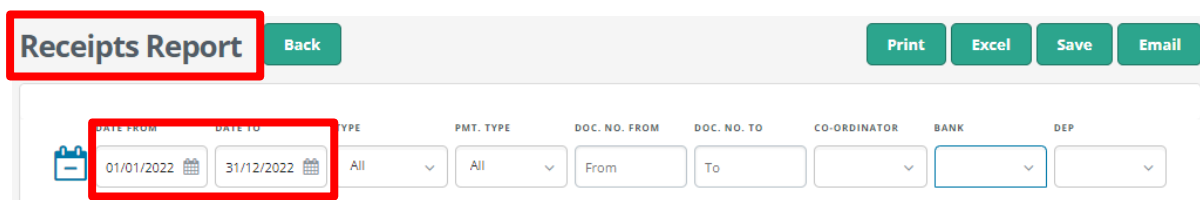
This is the total actual monies received during the calendar year 2022.

The following must be excluded when calculating total income:

- Monies collected for and transferred directly to another charity (e.g. Codes <3852/3853>)
- any repayable loans to a charity
- amounts received under TWSS/EWSS

To calculate total income you will need to total all the bank receipts for the period excluding amounts detailed above. One way to do this is:

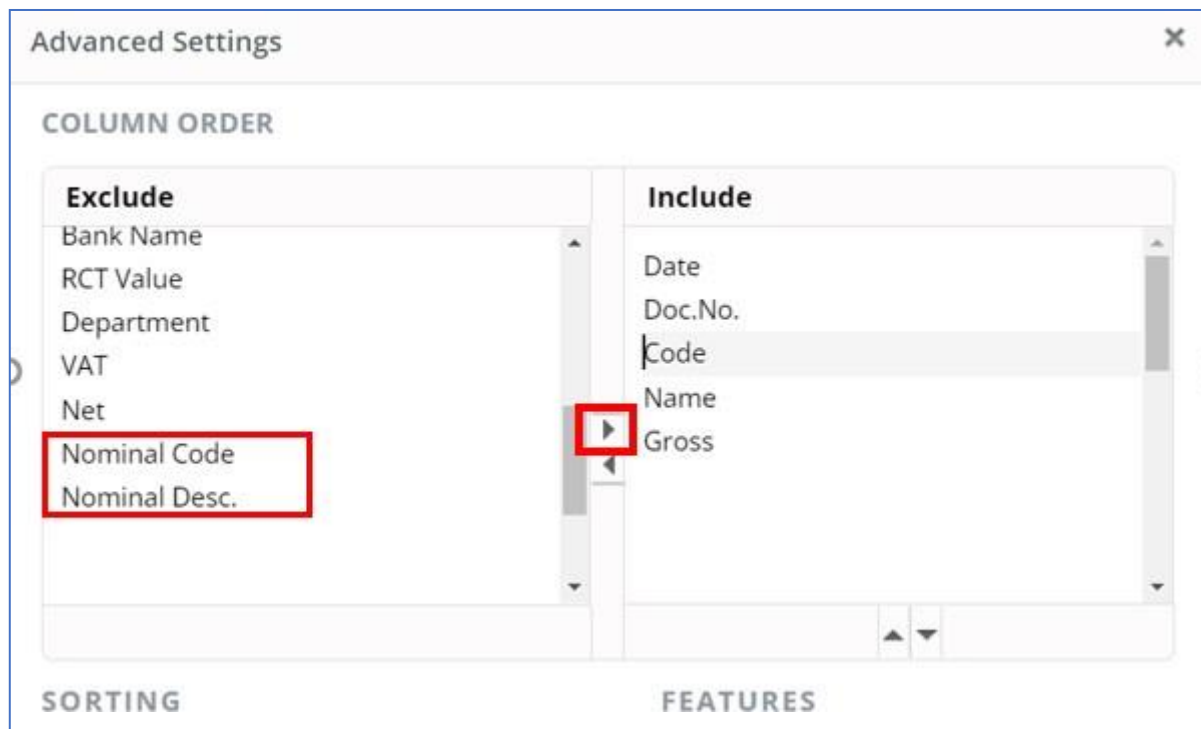
1. Generate a bank receipts report for all bank accounts for the period 01/01/2022-31/12/2022. In the field 'Type' and 'Pmt Type' select 'all' leaving all other fields blank, as shown in the screen shot below.



Receipts Report [Back] [Print] [Excel] [Save] [Email]

DATE FROM: 01/01/2022 DATE TO: 31/12/2022 TYPE: All PMT. TYPE: All DOC. NO. FROM: From DOC. NO. TO: To CO-ORDINATOR: BANK: DEP:

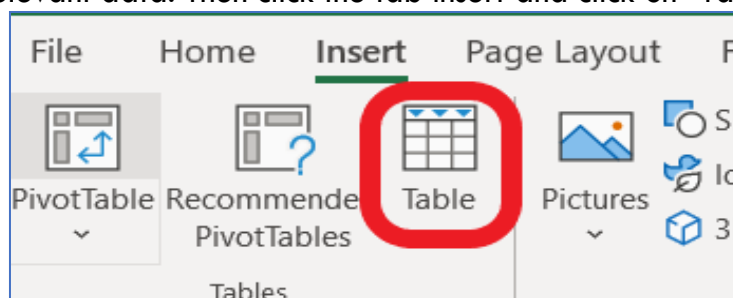
2. In the report's advanced setting make sure to include the "Nominal Code" and the "Nominal Desc." Columns. If these are not under the 'include' list, it can be done by clicking on the right arrow as highlighted in the screen shot below to bring them across to the 'include' list.



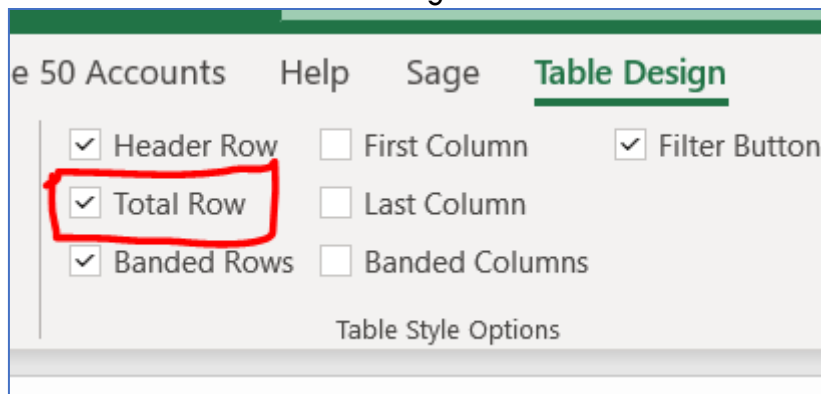
3. Tick the 'show splits' box and sorting by 'code' also in the advanced settings. Then select 'update'.

SORTING		FEATURES	
1. Code	<input type="checkbox"/> Total	<input type="checkbox"/> Outstanding Only	
2. None	<input type="checkbox"/> Total	<input checked="" type="checkbox"/> Show Splits	
<input type="checkbox"/> Total Only		<input type="checkbox"/> RCT Only	

4. Run the bank receipts report and click the "Excel" button to export it to excel.
5. Format the excel data as a table. To do this:
 - a. Delete the blank row between the column headings and the first bank receipt.
 - b. Delete the total figure at the bottom of the listing
 - c. If you click into the "Date" header cell and press keys "Ctrl "+"A" it will highlight all the relevant data. Then click the tab insert and click on "Table".



6. Delete any rows that should not be included in total income figure, i.e. monies collected for another charity, repayable loans, amounts received under TWSS/EWSS or duplicated amounts e.g., where you have a receipt recorded into the online payment solution clearing account and the current account this is double counting the lodgement. Delete the lodgement to the current account as this will not have the income analysis.
7. The value column should then be totalled to give the total income amount.
 - a. Click on the table and in the table design tab tick the box "Total Row".



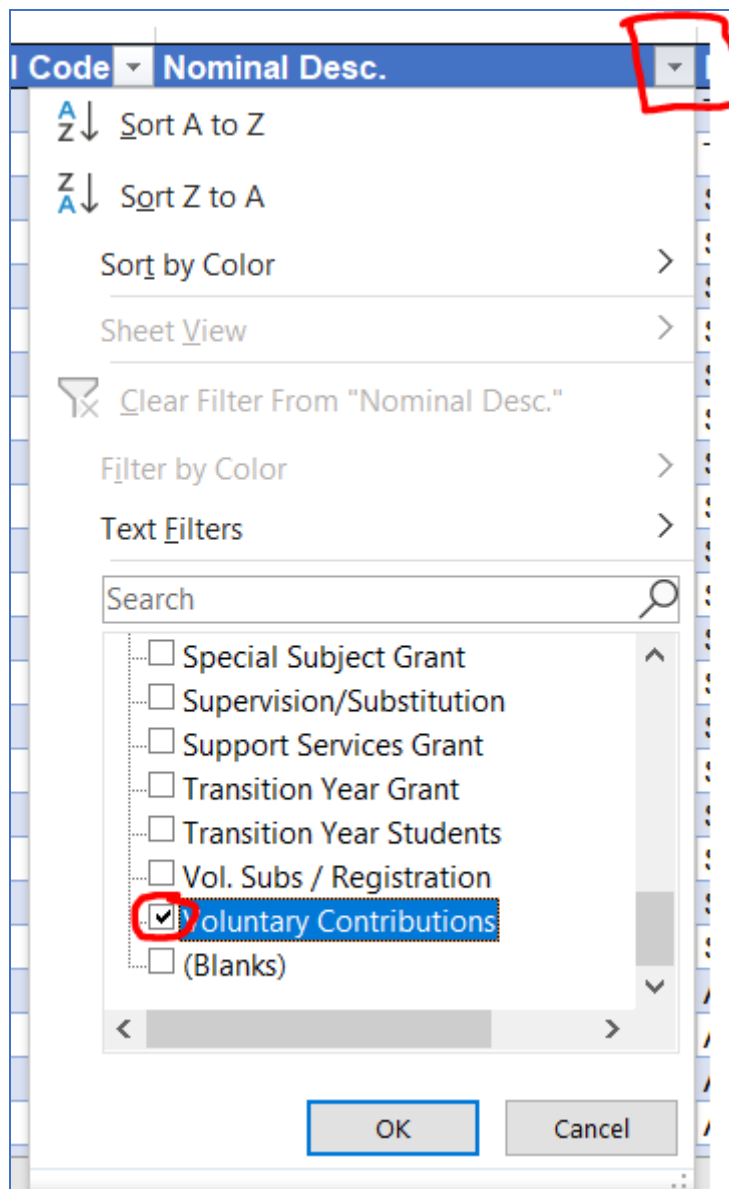
- b. Go the end of the table and there will be a "Total" row. In the column showing the receipt values click into the cell in the "Total" row and from the drop-down options select sum. This will be your total income amount.
 - c. Save this sheet.

Qualifying Income

The proportion of a charity's income that is privately funded is known as 'qualifying income'. This should be donations, fundraising income or voluntary contributions only. You cannot include any monies received from the State, school administration charges (3390), any monies received for services, shop (3430) or canteen income (3420).

To calculate the qualifying Income:

1. In the column "Nominal Desc." click on the filter tab and select the relevant qualifying income types.



Note where you have income that was recorded to a nominal code where it is not clear whether it is qualifying income or not e.g., <2105 School income received in advance> includes voluntary contributions, change the nominal description on these items to voluntary contributions <3650>. This way the filter will include them.

2. The total row will now show the qualifying income amount. Save a copy of this sheet as supporting evidence for the qualifying income amount.

Qualifying Tax

This is the VAT element paid on any goods or services for the provision of education.

To calculate the qualifying tax amount:

1. Generate a bank payments report for all bank accounts for the period 01/01/2022-31/12/2022. In the field 'Type' and 'Pmt Type' select 'all', leaving all other fields blank, as shown in the screen shot below.

Payments Report

Back

Print Excel Save Email

DATE FROM DATE TO TYPE PMT. TYPE DOC. NO. START DOC. NO. END BANK DEP

01/01/2022 31/12/2022 All All From To

2. In the advanced setting make sure to include the “Nominal Code” and the “Nominal Desc.” columns

Advanced Settings

COLUMN ORDER

Exclude

Bank Name

RCT Value

Department

VAT

Net

Nominal Code

Nominal Desc.

Include

Date

Doc.No.

Code

Name

Gross

SORTING FEATURES

3. Tick the 'show splits' box and sorting by code also in the advanced settings. Then select 'update'.

SORTING

1. Code

2. None

Total

Total Only

FEATURES

Outstanding Only

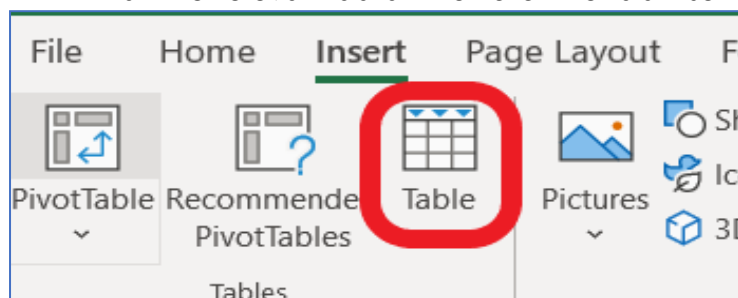
Show Splits

RCT Only

Cancel Update

4. Run the bank payments report and click the “Excel” button to export it to excel.
5. Format the excel data as a table. To do this:
 - a. Delete the blank row between the column headings and the first bank receipt.
 - b. Delete the total figure at the bottom of the listing
 - c. If you click into the “Date” header cell and press keys “Ctrl”+“A” it will highlight

all the relevant data. Then click the tab insert and click on “Table”.



6. In the header row next to the last column type in “VAT 23%” and hit the enter key. This will extend the table. Add another column “VAT 13.5%”.
7. In the “VAT 23%” column enter a formula to calculate the VAT element of any payment at 23%. e.g. $=G7/123*23$, (where G is the payment amount column and 7 is the row number). For “VAT 13.5%” enter a formula $=G7/113.5*13.5$, (where G is the payment amount column and 7 is the row number).

This will populate the entire column with a VAT figure. You will need to go through each column deleting the VAT amounts that do not apply. Make sure you are not including VAT on non-qualifying expenses such as shop (6830) or canteen expenses (Code 4915) or non-vatable expenses such as insurance or wages.

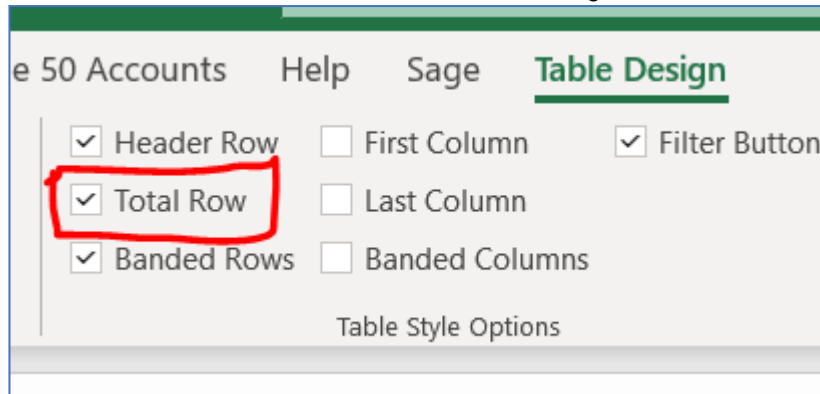
The relevant VAT rates for 2022 are:

Date effective from	Standard rate (%)	Reduced rate (%)	Second reduced rate (%)	Livestock rate (%)	Flat-rate compensation percentage for Farmers (%)
1 January 2022	23	13.5	9	4.8	5.5
1 March 2021	23	13.5	9	4.8	5.6
1 January 2021	21	13.5	9	4.8	5.6
1 September 2020	21	13.5	9	4.8	5.4
1 January 2020	23	13.5	9	4.8	5.4

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8. The VAT columns should then be totalled and added together to give the qualifying tax figure.

- a. Click on the table and in the table design tab tick the box "Total Row"



- b. Go the end of the table and there will be a "Total" row. In the value column click into the cell in the "Total" row and from the drop-down options select sum. These will be your qualifying tax amount.
- c. Save this sheet.

Claim amount

To calculate the VAT refund amount for the claim:

1. Divide the "Qualifying Income" by the "Total Income" figure to get the % allowable
2. Multiply the "Qualifying Tax" amount by the % allowable

E.G.

Total Income is €750,000. Qualifying Income is €25,000. Therefore the % allowable $(25000/750,000) = 3.33\%$.

Qualifying Tax = €65,000. The qualifying tax multiplied by the % allowable 3.33 is €2,165. This is the claim amount.