

Month March **PAYMENTS (VAT INPUT) SUMMARY** (For cheques, cards or direct banking) © P. Hingston

Date	Paid To	Ref	TOTAL (incl VAT)		VAT		Drawings, NI (or Salary)	Stock or Raw Material	Employee Costs	Premises Costs (Rent/Rates)		
2	Auto Repair Co	364	70	10	11	68						
2	Self (to personal a/c)	D/B	1500	00			1500	00				
3	Webdesigns	S/O	50	00								
3	ABCD Company	363	17	50	2	92						
4	Stationery Supplies	D/B	128	26	21	38						
9	The Big Phone Co	D/D	289	87	48	31						
12	Local Council	D/D	750	00					750	00		
14	Auto Repair Co	367	139	99	23	33						
14	Parcels Service	365	158	27	26	38						
18	APR Co	366	400	00	66	67						
29	Computer Supply Co	D/B	625	00	104	17						
31	Self (Card reimbursement)	D/B	562	58	93	76		125	00			
			4691	57	398	60	1500	00	125	00	750	00

WORKED - & Guide

"Employee Costs" is for wages, NI (National Insurance) and PAYE, also Directors' salaries, though you may find it convenient to put your own salary under "Drawings (or Salary)". For sole traders and partners, record your wages under "Drawings".

"Premises Costs" also includes Cleaning and Property Insurance. Use the next blank column if necessary.

This "Utilities" column is for Premises Costs that relate to any Electric, Gas, Heating or Water bills.

The entries above are listed in the same order (and dates) as they appear in your Bank Statement, and in the same order as the invoices are filed. This makes this page easier to complete & check.

VAT
If there is VAT included in a payment, record it in the VAT column, then put the net amount (ie the total less the VAT) in the appropriate expenses column. **Note:** The VAT rate used in this Worked Example is 20% but the rate may be changed at any time by the Government.

"Ref" (Reference)
This column could show the last 3 figures of the cheque number, or "D/B" for a Direct Banking, "D/D" for a Direct Debit, or "S/O" for a Standing Order.

1st Column
The first column heading is blank. You could use it for a category of expenses that you have to pay often. Alternatively, you could use it as a second VAT column.

PROCEDURE FOR PERSONAL CARDS
If you use a personal card for some business purchases, then reimburse yourself from your business account every month or so, and at that time enter the details in that month's PAYMENTS (as shown on the 31st above).

PROCEDURE FOR CHEQUES
For each cheque: record the date (as it appears in the Bank Statement), the payee, the last 3 figures of the cheque number (as a Reference) and the total paid. You then write the VAT (if any) in the VAT column. Then "analyse" the payment by entering the total (less VAT) in the correct expenses column (or columns, where relevant).

PROCEDURE FOR DIRECT BANKING
This includes online and telephone banking, and where you are paying your suppliers by Direct Debit or by Standing Order. Record the date (as it appears in the Bank Statement), the payee, the reference, and the total paid. You then write the VAT (if any) in the VAT column. Then "analyse" the payment by entering the total (less VAT) in the correct expenses column (or columns, where relevant).

PROCEDURE FOR BUSINESS CARDS
For a debit card on your business account, for each transaction: record the date (as it appears in the Bank Statement), the payee, the word "Card" (as a Reference) and the total paid. You then write the VAT (if any) in the VAT column. Then "analyse" the payment by entering the total (less VAT) in the correct expenses column (or columns, where relevant).

General Note
All the data in this Worked Example is fictitious.

Overflow Pages
If in any month you need more lines, then please note there are overflow pages after Month 12 in this book.

At the end of the month, total up each column. The overall Total Payments (£4,691.57 in this worked example) is then entered in the MONTH'S BANK BALANCE on the previous page.