



sage

Features & Processing in Sage One Accounting

A guide for small business users

Contents

Introduction.....	2	Transaction activity.....	24
The Summary Screen	3	Customer and Supplier Statements.....	24
Cash flow.....	4	To view and manage a customer statement	25
Sales & Purchases	5	Allocations	28
Record Expenses	5	Products and Services	30
Create and manage purchase invoices.....	6	Banking	31
Record Income	7	Payments, Receipts and Transfers.....	32
Recording Sales Invoices.....	7	Payments on Account.....	32
Customise Invoices.....	15	Journals	34
Sage Pay.....	19	To post a journal entry.....	34
To set up Sage Pay	20	To copy a journal	35
Taking phone payments	20	To reverse a journal entry.....	36
Pay Now	21	Reporting	37
Importing transactions from Sage Pay into Sage One.....	21	How to run the profit and loss report	39
Reports.....	22	VAT	41
Contacts	22	To create a VAT return and submit it to HMRC	43
Contact Details and Activity.....	22	To pay a VAT Return.....	45
Activity summary	23	Updates to Sage One Accounting	46

Introduction

This short guide will talk you through how to process your daily business transactions in Sage One Accounting, once you've set everything up.

Sage One Accounting is an online accounting service that's perfect for growing or established small businesses. As well as managing cash flow, quotes, income, expenses and VAT, Sage One Accounting allows businesses to trade internationally, as well as control how they share accounts data with trusted colleagues.

Within a couple of clicks, you can work in real time with your accountant and connect to other powerful business apps. If you ever have a question, our UK-based support team are a phone call or email away, 24/7, 365 days a year. As Sage One is browser based, it doesn't require any installation, so you are always using the latest version and you'll never need to upgrade. This also means that you can access Sage One from anywhere at any time - all you need is Internet access and the latest version of your browser.

The Summary Screen

In this section, we'll cover the different summary areas in the software:

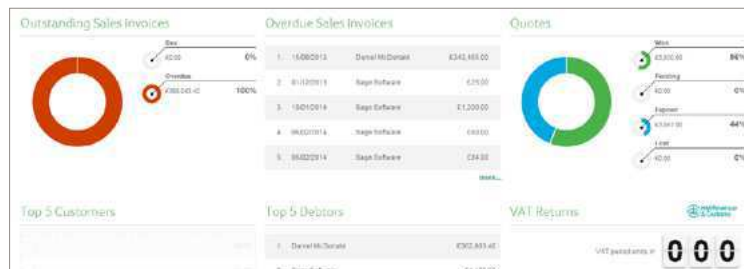
- Getting Started
- Sales & Purchases
- Cash flow

The Summary tab contains key information about your business. From this tab, you can easily access the areas you need to set up Sage One Accounting. You can also view your sales and purchases and detailed cash flow information. There are several different areas within the Summary tab:

- Getting Started
- Sales
- Purchases
- Cash flow statement
- Cash flow forecast

Hopefully you'll have used the Getting Started area to help you set up your business in Sage One Accounting. The remaining four areas give you a great snapshot of your business – how it's performing, and how it could perform in the future.

For example, from the Sales area you can see at a glance the value of the sales invoices and credit notes you've issued and the net value of your sales. By default, the chart shows the last 30 days. If required, you can amend this date range or highlight a range on the chart to zoom in. If you zoom in on a date range, to reset this, click refresh. You can also select the options at the bottom of the chart to change the sales information you want to show.



Cash flow

We understand how important it is to know the financial position of your company. To help you with this and to monitor the cash coming into and going out of your business, you can use the cash flow statement.

You can also use the cash flow forecast to estimate how much money a business will have, or need, at any point in the future, helping you to plan ahead. The forecast shows your expected cash flow in and cash flow out based on when invoices are due to be paid, credit notes due to be refunded and any recurring income or expenses due in the period you specify.

When running a forecast, you can also add manual adjustments to include values that might not already be accounted for. For example, you may want to apply for a loan, but first want to see how your predicted cash flow will change if you add this value to your accounts. If you add a manual adjustment, this is only used for the cash flow forecast and the values aren't added to your ledgers.

The values calculated for the cash flow statement are from payments and receipts already paid or received. The values on the forecast, are based on when payments and receipts are due to be paid or received.

Opening Balance	This is the net value of money in and out less any liability at the date before you're running the cash flow statement or forecast for.
Cash Flow In	This includes the total value of your: <ul style="list-style-type: none"> • Customer receipts • Supplier refunds • Other income • Bank transfers and deposits
Cash Flow Out	This includes the total value of your: <ul style="list-style-type: none"> • Supplier payments • Customer refunds • Other expenses • Bank transfers
Closing Balance	The total cash flow in less the total cash flow out.
Liability to offset	If you have any VAT liability for this period, it appears here. If the VAT period isn't closed, this is an estimate.
NETBalance	The closing balance less any VAT liability for this period. Or if you can reclaim VAT this period, this is added to the closing balance.

Sales & Purchases

In this section, we'll cover:

- Sales and Purchase Invoices and Credit Notes
- Sales Quotes
- Quick Entries
- Customising your Quotes and Invoices

Record Expenses

There are a number of ways of recording Expenses in Sage One Accounting. Each transaction entered will record the debit and credit values automatically (as per bookkeeping rules).

We'll start by recording some Supplier Invoices.

Create and manage purchase invoices

There are two ways for you to record Supplier Invoices in Sage One Accounting:

- Purchases tab > Purchase Invoices

Use this option to record invoices from Suppliers individually, or if you need to record the invoice against your Product Records you have entered in Sage One.

This method offers extra features such as creating a Draft invoice before saving it to Sage One.

- Purchases tab > Quick Entries

You can use the Quick Entries option in Sage One to quickly enter purchase invoices and credit notes for one or more suppliers at the same time. This saves you time if you have a lot of invoices or credit notes to enter and you don't want to record them against a particular product record. Once you've entered a quick entry invoice, when you need to pay it, you can do this using a **supplier payment**. If you've entered a credit note, you can **allocate**, or if necessary, **refund** it, as normal.

If want to record the purchase of a particular product that you've created a record for, you must use the **Purchase Invoices** or **Purchase Credit Notes** options instead.

Record Income

Similar to recording Expenses, there are different methods of recording Income in Sage One Accounting. You might offer credit terms to some customers to Buy Now / Pay Later, and others may need to pay straight away.

Again, Sage One records the double entry of each transaction in the background.

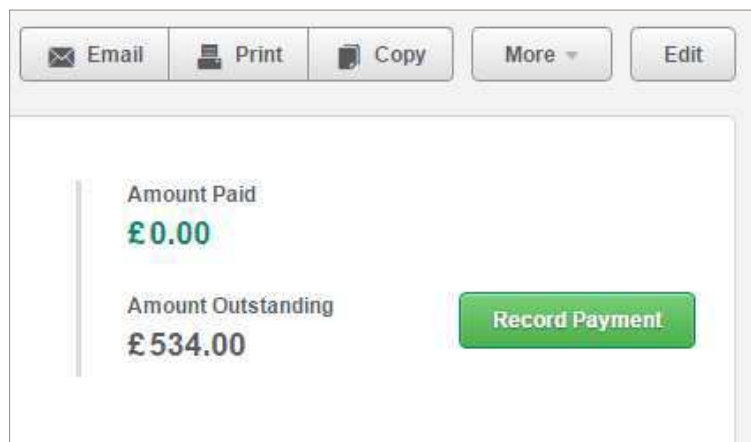
Let's start with recording Customer Invoices.

Recording Sales Invoices

Similar to Supplier Invoices, you can enter Customer Invoices in one of two ways in Sage One Accounting: -

- Sales tab > Sales Invoices

Use this option to record invoices for customers individually, or if you need to pick up the Product Records you have entered in Sage One.



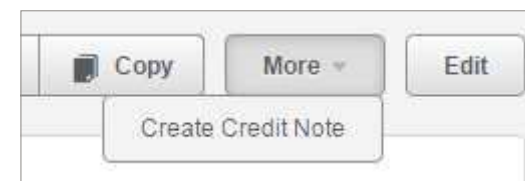
As a business, you would normally send an invoice to your Customer, either printed or emailed, so there are extra features in the Sales Invoices area in comparison to Purchase Invoicing.

To manage an existing invoice:

- Sales > Sales Invoices > click the required invoice.

From here you can:

- View the details of the invoice, including whether it's paid or unpaid.
- Check if the invoice has been issued or not. The invoice shows as issued if you've emailed or printed the invoice.
- Email the invoice. You can send your invoice to your customer as a PDF file attachment.
- Print the invoice. Depending on your Internet browser the PDF invoice opens in a new window or tab. You can choose to print from your browser file menu.
- Copy the existing invoice. This creates a new invoice with the exact same details without having to re-enter the information.
- Edit the existing invoice. If the invoice has already been paid, credited or included on a VAT Return, you can't amend it. For more information, please see To edit or void a sales invoice.
- Record a **payment** against the invoice.
- **Create a credit note** from the More option.



- **Sales tab > Sales Credit Notes**

If you provide a customer with a credit note, for example because they've returned faulty goods, you can create this from the original invoice. Alternatively, you can create a standalone credit note, and allocate this to any outstanding invoice at a later date. You can choose to print or email the credit note to the customer.

Before you can create the credit note, if you haven't already done so, you need to create the corresponding customer record.

- **Sales tab > Sales Quotes**

To easily track what prices you quote to prospective customers, you can produce quotes. Quotes don't affect account balances in Sage One. Once the customer accepts the quote, you can convert it to a sales invoice which automatically updates your ledgers with the values of the original quote.

You can also enter default quote settings such as terms and conditions and the default number of days until the quote expires. You should **check your default settings** before issuing your first quote.

To create a new quote:

1. Sales > Sales Quotes > New Quote.
2. Enter the following information:

Name *	Enter the customer name. As you type, a list of your customers appears > choose the customer from the list. Tip: To add a new customer, click the [Search for customer] drop-down > Add a customer > enter the relevant information > Save.
Quote Date *	Enter the date of the quote.
Expiry Date *	This is the date the quote expires and is usually 30 days from the quote date. The expiry date automatically calculates from the Quote Default Days to Expiry in Invoice & Quote Settings . If required, you can overwrite this date or, if you want to leave the quote open, delete this date and the quote won't expire.
Reference	Enter a reference, for example, a job number.
Invoice Address *	If there's a main address in the customer's record, this appears automatically. If there isn't, enter the address here.
Delivery Address	By default, the delivery address is the same as the invoice address. If you don't want to use this address, from the Delivery Address drop-down list choose the required address. If the address doesn't exist, choose Custom and enter the relevant information.

* These details are compulsory.

3. To provide a quote for a specific product or service, in the [Search for Product/ Service] box, type the description of the item.
4. As you type, a list of your product and services appears > choose the required item.

The details of the product or service appears on the next available item line. If necessary, you can change this information, for example, the quantity or unit price. If you need to create a new product or service record, click Create Product or Create Service > enter the relevant information > Save.

5. To add more products or services to the invoice, repeat step 3.
6. If you don't want to add a product or service to the quote, enter the following information:

Description*	Enter a description for the quote.
Ledger Account *	Choose the ledger account for the quote.
Item Code	If necessary, enter a code, for example a part number or stock code.
Qty *	Enter the quantity of items included in this quote.
Unit Price *	Enter the net value of the item.
Discount	If you want to enter a discount as a fixed amount, enter the value in the Amount box and leave the percentage as zero. If you want to enter a discount as a percentage, leave the value in the Amount box as zero and enter the percentage in the % box.
VAT Rate *	Choose the relevant VAT rate. Tip: If your business is VAT registered and you don't have the option to choose a VAT rate, check you've entered your VAT scheme correctly in Settings > Financial Settings.
VATAmount *	This calculates automatically based on the quantity, unit price and VAT rate.
Total	This is the total gross value of this item line.

* These details are compulsory.

7. If the quote is for the sale of goods or services to a customer in the EU, click the double chevrons **>>** > choose whether this item is goods and related services or a stand-alone service.

If the customer is VAT registered, you must also choose which EU sales description you want to appear on the invoice.

8. To add more transactions, on the next line, repeat steps 5 to 6.
9. If required, enter any notes and terms and conditions.
10. To include any postage charges in the quote > Carriage > enter the net amount > choose the relevant VAT rate.

If required, to view a breakdown of the VAT calculated, click Total VAT, then to return to the quote, close the VAT Analysis window. If the quote is for a product and you've entered a cost price in the **product record**, to view the profit calculated on the quote, click Profit. If the item doesn't have a cost price, or the cost price is zero, it's not included in the profit calculation.

11. Choose one of the following options:
 - a. Save as draft – To save the quote as draft select the Save as draft check box > Save. You can use this option if you're not ready to send the quote to your customer yet. When you're ready to send it, simply open the draft quote, make any changes as necessary and clear the Save as draft check box > Save.
 - b. Save – To save the quote.
 - c. Save & Send – To save and email the quote. The Email Quote window appears. If the customer has an email address in their record, it appears in the To box. You can enter additional email addresses separated by a semicolon. Your registered email address appears in the Cc box. Enter any text you want to appear in the body of the email > Send.
 - d. Save & Print – To save and print the quote. The quote opens in a new window or tab and you can choose to save or print the quote from your browser file menu.
 - e. Save & New -To save the current quote and then enter a new one.

You've successfully created the quote. When you create a quote for your customers, it remains pending until your customer either accepts or declines it. If your customer accepts the quote you can use the Manage Quotes option to convert it to an invoice which updates the customer's account. If they don't accept the invoice you can mark it as declined.

• **Sales tab > Quick Entries**

You can use the Quick Entries option in Sage One to save time by quickly entering sales invoices and credit notes that you create either in a different system or by hand. You can do this for one or more customers at the same time.

If you use the Quick Entries option to enter the details of a customer invoice or credit note, you can't print this. If you need a printable version, use the **Sales Invoices** or **Sales Credit Notes** options instead. You must also use these options if you want to record the sale of a particular product or service that you've created a record for. Once you've entered a quick entry invoice, when the customer pays it, you record this against the invoice as a **customer receipt**. If you've entered a credit note, you can **allocate**, or if necessary, **refund** it, as normal.

Type*	Date*	Customer*	Reference*	Ledger Account*	Details	Departments	Agents	Projects	Net	VAT Rate	VAT	Total
Inv	13/06/2015	Sage Soft	1	Other Incom		Gaming	Sp	Co	200.00	Standard	40.00	240.00
inv	13/06/2015	[Search Inv]		Other Incom		None	Nr	Nr	0.00	Standard	0.00	0.00
Total Net Amount											200.00	

To add a quick entry

1. Sales > Quick Entries > New Quick Entry.
2. Enter the following information:

Type *	To add an invoice, choose Inv, or to add a credit note, choose Crn.
Date *	Enter the transaction date.
Customer *	Choose the customer.
Reference *	Enter a reference, for example, an invoice number from another system.
Ledger Account*	Choose the ledger account you want to use for this transaction.
Details	If necessary, you can enter additional information about the invoice or credit note.
Net	Enter the net amount of the invoice or credit note. Tip: If your company is VAT registered and the Net, VAT Rate and VAT columns don't appear, check you've entered your VAT scheme correctly in Settings > Financial Settings.
VAT Rate	Choose the required VAT rate.
VAT	This calculates automatically based on the net amount and VAT rate.
Total	The total value of the invoice or credit note calculates automatically.

* These details are compulsory.

3. To add more transactions, on the next line, repeat the above step > Save.

You've successfully recorded the quick entry which appears on the quick entries list and the customer's activity.

Customise Invoices

You can personalise your invoices and quotes they send to your customers by choosing from a variety of templates and adding logos. It's also possible to enter any terms and conditions you want to appear on the layouts and enter default invoice numbering and quote options.

- Settings tab > Invoice & Quote Settings.

To make changes to your default settings, please see the following sections then, once you're happy with your settings, click Save.

There are six invoice and quote templates available, so you can choose the most suitable layout for your business.

- To change the template for your invoices and quotes, Template Settings > select the required layout.



You can amend the following information for your invoices and quotes:

Next Invoice Number	If you want your invoices to start from a particular number, enter the number here. This could be for example, because you've just started using Sage One and you want your invoice numbers to continue on from your previous accounting system.
Sales Invoice Number Prefix	If required, amend the prefix used for your invoice numbers.
Sales Credit Note Number Prefix	If required, amend the prefix used for your credit note numbers.
Quick Entry Prefix	This prefix is used for both sales invoices and credit notes entered as quick entries. This helps you to identify how they've been entered. You can amend this if required.
Quote Default Days to Expiry	Enter the number of days a quote is valid for. The expiry date calculates based on the quote date and the number of days you enter here.
Sales Quote Number Prefix	If required, amend the prefix used for your quotes. To help you easily identify your quotes, this should be different from the prefix used for your invoices or credit notes.
Next Quote Number	If you want your quotes to start from a particular number, enter it here.

You can enter the following information to show on invoices and quotes.

Invoice Terms and Conditions	Enter any terms and conditions you want to appear on your invoices. If you have different terms and conditions that apply to specific customers, you can customise these in your record. If you do this, the custom settings in the record are used when creating invoices, not the terms and conditions you enter here. Any changes you make don't affect invoices you've already created.
Terms (from Defaults)	This is the default number of credit days. If you need to change this, click Defaults > Customer Credit Days > amend the number of days > Save.
Quote Terms and Conditions	Enter any terms and conditions you want to appear on your quotes.
Default Invoice Notes	Enter any notes you want to appear on your invoices, credit notes and quotes. You can select to Show on Invoice and/or Show on Credit Note. These notes can be used for bank details or other messages, such as opening times.

If you have a company logo, you can add this to the template. If you want to add images to the bottom of invoices, for example, a trade membership or accreditation, you can also add up to two association logos. We recommend you use an image size of 280 x 200 pixels or less, and a file size of no larger than 64Kb and the file type should be JPG, GIF or PNG.

- Click Upload Image for the relevant logo option > browse to the image file > Open > repeat as required.



Sage Pay

You'll probably agree that managing cash flow is probably the biggest challenge your business faces day to day. You have to juggle outstanding invoices, late payments, and chasing these payments takes up valuable time that could be much better spent growing your business. This is where Sage Pay functionality comes in.

- Make it easier for your customers to pay you – add a “Pay Now” button to your invoices, statements and letters, allowing your customers to pay instantly online by debit/credit card or Pay Pal.
- Always be ready to take an instant payment – accept debit or credit card payments over the phone from within Sage One Accounting.
- Save time and reduce errors – automatically record payments within your Sage One Accounting software.

To give an example:

If, as a customer, you were browsing a website, and decide you would like to buy some goods, you'd expect to see a “Buy Now” button of some kind. Click this button, and you'll be prompted for your card details. At this point, the payment provider will connect to the banking network and run various security checks. Once these checks have been successfully performed, you as the customer of the website will then see the order confirmation screen which tells you that your order has been successful. The payment provider will then inform the website business' bank provider of the transactions that have taken place, and the money will be put into the correct bank account. This is exactly how Sage Pay works.

Let's now have a look at the Sage Pay features available in Sage One. First of all, we'll take a look at how to set up Sage Pay. To do this, you'll first need a Sage Pay account, which can be applied for by completing [this short online form](#).

To set up Sage Pay

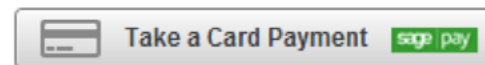
Settings > Accounting Settings > Credit Card & Customer Payments.

This is where you'll enter your Sage Pay credentials, including your vendor name, username and the passwords you'll have received when you signed up to Sage Pay. You won't have access to this area until you receive your Sage Pay account. You can also choose which features you would like to enable.

- MOTO payments – this is enabled if you want to take payments over the phone and wish to record these payments within Sage One against an invoice.
- You also have the ability to make payments against invoices that you send them via email, using the 'Pay Now' button.
- Finally, if you enable ecommerce you'll be able to import transactions directly into Sage One from your Sage Pay account.

Taking phone payments

If a customer has phoned you and wishes to pay for their invoice, you can take card payments by telephone or mail order.



1. Find the invoice that they wish to pay, and select it.
2. Select Take a Card Payment. Clicking this option directs you to the Sage Pay website to enable you to take the payment. This pays off the invoice in Sage One, and also puts money into your bank account.

Pay Now

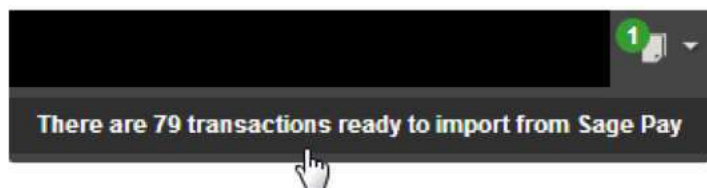
The next feature is adding the Pay Now button to a Sage One invoice.



If you email an invoice directly to a customer from Sage One, they'll see this Pay Now button on the invoice and can pay you directly. Selecting the PDF will show you what this Pay Now button looks like. Clicking the button will simply redirect your client to the Sage Pay website.

Importing transactions from Sage Pay into Sage One

Now, let's take a look at the process of importing transactions from Sage Pay into Sage One.



Once Sage Pay is enabled, if you have any transactions waiting, you'll notice a notification at the top of the screen telling you that there are transactions ready to be imported. Clicking on the link gives you the list of pending transactions. You can review these transactions before importing them. Simply click the Import button, which posts the transaction directly into Sage One Accounting. Equally, if you find some duplications, it's possible to discard certain transactions. It's also possible to change the ledger account and the VAT rate if necessary.

Reports

There are two Sage Pay reports available via the Reports area in Sage One – Sage Pay Payments Received, and Sage Pay Ecommerce payments, to view any imported transactions.

Contacts

In this section, we'll look at:

- Contact details and activity
- Statements
- Allocations

Contact Details and Activity

You can use contact records to keep track of your customer sales and supplier purchases. You can view any contact record from Contacts > click the required contact. Alternatively, you can view just customers in Contacts > Customers, or just suppliers in Contacts > Suppliers.

When you click a contact you can then:

- Amend the contact details. To do this enter the relevant details > Save.
- View details of the transactions that you enter for this contact.
- Manage your customer and supplier statements.
- Allocate standalone credit notes, or payments on account to outstanding invoices.
- Amend the default payment terms for your contacts. You can also enter specific terms and conditions for each contact, as well as setting a credit limit.

Activity summary

The Activity tab shows a snapshot of information about the contact, including:

- The main contact details.
- Total sales or purchases to date.
- The date of the last sale or purchase and receipt or payment.
- Details of the total outstanding and overdue balances for the contact.
- The date of the oldest invoice and credit days.

If you need to edit or change the main contact, you can do this from the Addresses tab.

	Date	Number	Reference	Type	Net	VAT	Total	Discount	Outstanding
<input type="checkbox"/>	06/04/2015	SI-32		Sales Invoice	100.00	20.00	120.00	0.00	100.00
<input type="checkbox"/>	06/04/2015			Customer Receipt			-20.00	0.00	0.00
<input type="checkbox"/>	13/07/2015	SI-44		Sales Invoice	200.00	40.00	240.00	0.00	240.00

Transaction activity

The transaction activity shows details of the transactions that you enter for the contact. You can:

- Search for transactions by reference or value.
- View transactions between specific dates from Refine > amend the from and to dates.
- View outstanding transactions only from Refine > select the Show Outstanding Only check box.
- View certain transaction types from Refine > Type.
- View or edit details of transactions and account allocations. To do this, click the relevant entry.

You can also use the action toolbar to print, email or export the transaction list.



The Action Toolbar appears when you select one or more transactions.

Customer and Supplier Statements

You can produce statements in Sage One Accounting to send to customers and suppliers to show the position of your account. The statement shows all transactions and the total invoiced to the customer between a particular date range. It also shows the amount the customer has paid/the supplier is owed and the amount outstanding at the end of the period specified.

For example, let's take a look at a customer statement.

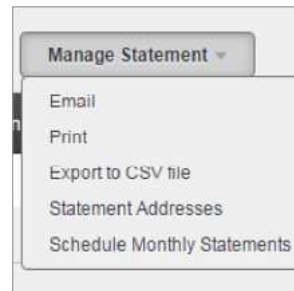
To view and manage a customer statement

1. Contacts > Customers > click the required customer.
2. Manage > Statements > enter the required date range.

The transactions entered between the two dates appear. The brought forward balance is the customer's account balance as at the day before the date entered in From Date.

You can choose to email the statement to your customer or save it as a PDF or CSV file. You can also set up monthly statements which are then emailed automatically to your customer on the day you specify.

By default, the main address appears on the statement and, if you choose to email the statement, it's sent to the email address for the main contact. If you prefer to use a different address or email it to a different contact, you can change this.



To email the statement:

1. Manage Statement > Email.
2. Check or enter the following information:

To *	If the main customer contact has an email address, this automatically appears. If necessary, you can amend this and enter additional email addresses separated by a semicolon. Tip: If you want to amend the default email address the statement is sent to, please see To amend the default statement address below.
Cc	Your Sage One login email address automatically appears. If necessary, you can delete or amend this.
Message *	Enter any text that you want to appear in the email message.

* These details are compulsory.

To view the statement you're about to send, click the statement link above the message.

3. Click Send.

To send monthly statements:

If you send regular monthly statements to your customer, you can set up Sage One Accounting to send these automatically.

1. Manage Statement > Send Monthly Statement.
2. Check or enter the following information:

Email statements monthly on day *	Enter the day of the month you want to send the statement to your customer. The statement includes transactions entered up to the day of the month prior to this. For example, if you enter day 10, the statement includes transactions from day 10 of the previous month to day 9 of the current month. Tip: If you want to send statements up to the last day of the previous calendar month, enter 1 here. The statement includes transactions entered from day 1 to the end of the previous month. For example, a statement sent on 1 June includes transactions from 1 May to 31 May. This means you can send statements up to the last day of the month even if it's 28, 30 or 31 days.
Exclude zero balances	If you don't want to include transactions which have a zero balance, select this check box.
To *	If the main customer contact has an email address, this automatically appears. If required, you can amend this and enter additional email addresses separated by a semicolon. Tip: If you want to amend the default email address the statement is sent to, please see To amend the default statement address above.
Cc	Your Sage One login email address automatically appears. If necessary, you can delete or amend this.
Message *	Enter any text that you want to appear in the email message.
Enable Monthly Statement	Monthly statements are sent to your customers while this check box is selected.

* These details are compulsory.

3. Click Send.

You've successfully enabled monthly statements which are now emailed to the customer in question on the day you specified. You can stop the statements at any time from Manage Statement > Send Monthly Statement > clear the Enable Monthly Statement check box > Save.



Allocations

If you create standalone credit notes or payments on account for a customer or supplier, you can allocate these to one or more invoices from the Account Allocation option.

You can only use this option to allocate outstanding transactions together. You can't use it to record a payment or a receipt. If you need to record a customer receipt or supplier payment you must do this from Banking.

You can use the Unallocated Receipts or Payments report to easily identify sales receipts and purchase payments that aren't allocated to a specific sales or purchase invoice.

If you've already allocated a transaction and you need to remove the allocation, for example, you allocated a credit note to the wrong invoice, you can unallocate it.

To allocate credit notes, payments on account and invoices

You can allocate outstanding invoices to payments on account and credit notes. Alternatively, if the invoice and credit note are the same value you can use the More option on the action toolbar from the Sales and Purchases tabs.

1. Contacts > click the required contact.
2. Manage > Account Allocation > do one of the following:
 - To allocate all transactions at once > select the check box at the top left-hand corner.
 - To allocate individual transactions together > select the check box for each item.
 - To allocate part of a transaction to another, for example if you want to credit part of an invoice, click the Paid box for the transaction you want to part pay > enter the value in Amount to pay > Save.

As you allocate the transactions, the Left to allocate changes. This must be zero before you can save the allocations.

3. Once the Left to allocate is zero > Save.

If you use the VAT Cash Accounting scheme when you create a payment on account, you pay VAT to HMRC at the time you record the payment. If you now allocate this to an invoice with a different VAT rate, the original payment is reversed and another payment is posted with the new VAT rate. If the previous transaction was VAT reconciled, the adjustment is included on your next VAT Return.

You've successfully allocated the transactions and the outstanding value on the contact's activity for these transactions shows as 0.00.

Display Due			
Total	Outstanding		Paid
0.00	120.00	↙	0.00
2.40	2.40	↙	0.00

Products and Services

The products and services list is a list of all the products and services that you've created in Sage One Accounting. From here you can see the code and description for your items. For products, you can see the cost and standard sales price and for service items, you can see the rate and frequency.

Products & Services									
Create, view and manage records of the products or services that you sell.									
3 of 8 selected									
Type to search									
New Product New Service									
	Code	Description	Ledger Account	Rate Frequency	Rate	Cost Price	Sales Price	VAT Rate	Purchase Ledger Account
<input type="checkbox"/>	widjet	Widget	Sales Type A (4000)			4.00	10.00	Standard	Cost of sales - goods (5000)
<input type="checkbox"/>	PHOTO	Photocopying	Sales Type A (4000)			0.00	2.00	Standard	Cost of sales - goods (5000)
<input type="checkbox"/>	Crazy Paving	Crazy Paving	Sales Type A (4000)	Annually	2,000.00			Standard	
<input type="checkbox"/>	Labour	Labour	Sales Type A (4000)	Annually	0.00			Standard	
<input type="checkbox"/>	Labour	Labour	Sales Type A (4000)	Hourly	10.00			Standard	
<input type="checkbox"/>	test	test	Sales Type A (4000)	Annually	0.00			Standard	
<input type="checkbox"/>	consultancy	Consultancy	Sales Type A (4000)	Fixed Rate	-200.00			Standard	

From the products and services list, you can:

- Create a new **product** or **service**.
- View details of an existing product or service – To do this, simply click the relevant item.
- Edit or delete an existing **product** or **service**.

To view products or services only click Products & Services > Products, or Products & Services > Services. From here, you can also search for an individual product or service by code or description.

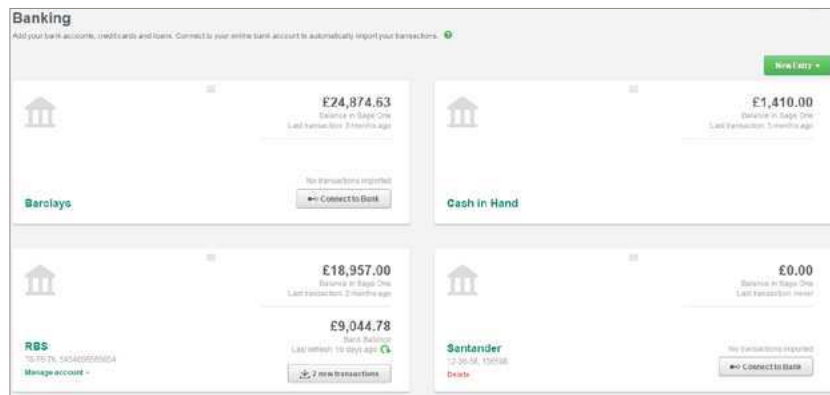
Banking

In this section, we'll cover:

- Payments, Receipts and Transfers
- Payments on Account


We won't be covering Bank Reconciliation, as this is covered in detail in a further guide.

From the banking tab you can easily view and manage your bank accounts, credit cards, loans and banking transactions. You can see details of your bank accounts, this includes the balance, account number and sort code.



From here, you can:

- **Add** a new bank account.
- **View, edit or delete** an existing bank account.
- Record a **supplier payment** or **customer receipt**.
- Record **other payments** and **receipts** without having to first create an invoice.
- **Transfer money** between two bank accounts.
- **Connect to an online bank account** using banks feeds. Once you've linked your bank account, it shows the bank balance, the number of new transactions ready to download and when it was last refreshed.

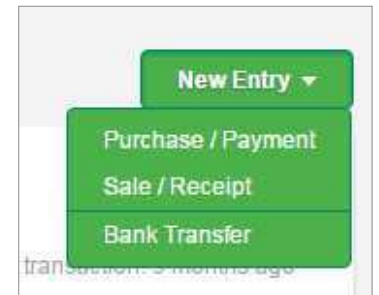
If you want, you can change the order of bank accounts. To do this, hover over the button in the top right-hand corner  and drag the account to where you want it.

Payments, Receipts and Transfers

Supplier payments - When you pay a supplier, you record this from the Supplier Payment option. This option is particularly useful if you send your supplier one payment to cover multiple invoices. When you record the payment, you can also produce a remittance advice, which you can then send to your supplier to let them know which invoices you're paying.

Customer receipts - When your customer pays their invoices you can record this from the Customer Receipt option. This option is particularly useful if your customer sends you one payment for multiple invoices.

Transfers - There may be times when you want to transfer money between your bank accounts, for example transferring money from your current account to your petty cash account. You may also need to delete a transfer if it's been entered in error or with incorrect details.



Payments on Account

If a customer sends you a payment, or you send a supplier a payment, and you don't have an invoice to allocate it to, you can record this as a payment on account. You can then allocate the payment on account at a later date to pay off an invoice.

If you or a customer have overpaid an invoice, you can record the payment against the invoice as normal and the extra amount as a payment on account.



Journals

In this section, we'll cover:

- New journals
- Copy journals
- Reverse journals

A journal is used for recording non-regular transactions, for example the depreciation of a fixed asset or writing off a bad debt. You can also use journal entries to transfer values from one nominal account to another. When you create a journal entry you must follow the principles of double-entry bookkeeping; for every debit total there must be a corresponding credit balance. This can be made up of several credits as long as the overall total balances.

To post a journal entry

1. Journals > New Journal > complete the following information:

Date	Enter the date you want to use for the journal.
Reference	Enter a reference for the journal.
Description	If required, enter a description for the journal.
Ledger Account *	Choose the nominal ledger account you want to use for the first line of the journal.
Details	If required, enter details for the journal line.
Debit	If this journal line is for a debit value, enter the value here and leave the credit as 0.00.
Credit	If this journal line is for a credit value, enter the value here and leave the debit as 0.00.
Include on VATReturn?	Choose whether you want to include this journal on a VATReturn.

* These details are compulsory.

If you've previously created transaction analysis types, for example, departments or projects, and made them active in the journals area, you also have the option to choose the analysis type when you enter your journal.

2. Check the total value of credits and debits balance > Save.

To copy a journal

If you've previously created a journal and you need to post another with the same details, you can copy the original journal.

3. Journals > click the journal you want to copy.
4. Manage Journal > Copy.
5. Check and amend any necessary details of the original journal, for example, you may need to change the date.
6. Click Save.

The new journal entry appears on the journal list.

To reverse a journal entry

If you can't delete a journal entry because it's been VAT reconciled, or you need to keep a record of the original journal, you can reverse it. This removes the effect of the journal but keeps the details of the original entry and the reversal for your records.

1. Journals > click the journal you want to reverse.
2. Manage Journal > Reverse.
3. If necessary, amend the details of the original journal.

If you're reversing the journal because the original was entered in error, the date and the lines of the journal should be the same as the original. However, you may want to change the reference, for example, to Reversal.

4. Click Save.

The original journal is reversed and both journal entries appear on the journal list. If the previous journal has been reconciled for VAT, your next VAT Return is adjusted accordingly

Reporting

This section covers all the reports available for your business in Sage One Accounting.

Use the [reports in Sage One Accounting](#) to view your company and financial information at a glance.

Management reports

View the worth and performance of your business.

- Profit and loss
- Balance sheet
- Aged debtors
- Aged creditors

Detail reports

View transactions for sales, purchase and ledger accounts.

- Sales day book
- Purchase day book
- Profit analysis
- Nominal activity

Cash reports

View bank transactions and analyse your cash flow.

- Cash flow forecast and statement
- Receipts and payments day book
- Unreconciled bank transactions
- Unallocated receipts or payments

VAT reports

View your VAT returns and EC sales.

- VAT return
- EC sales analysis report

Accounting and audit

View transaction details and the balances on your ledger accounts.

- Trial balance
- Periodic trial balance
- Audit trail

Lists

View and export a list of your ledger accounts.

- Chart of accounts

Sage Pay reports

View imported Sage Pay ecommerce payments.

- Sage Pay ecommerce payments



How to run the profit and loss report

The profit and loss shows the performance of your business over a specified period of time. It shows the value for sales, direct expenses including cost of sales, and overheads in the given period. It also shows the resulting gross and net profit or loss. When running the report, you can drill down on the values to see what transactions are included.

1. Reporting > Reports > Profit and Loss Report.
2. From the Reporting Period drop-down menu choose one of the following options:

This Month	To produce the report for the current month, use this option.
This Quarter	To produce the report for the the current quarter, use this option. For example, if the current month is June, the date range is 01/04/2015 to 30/06/2015.
This Year	To produce the report for the current year, use this option.
This Financial Year	The report dates default to a 12 month period, based on the day and month you entered for your Year End Date in Financial settings. Note: This produces the report for the current year regardless of the year set in Financial settings.
Last Month	To produce the report for the previous month, use this option.
Last Quarter	To produce the report for the previous quarter, use this option. For example, if the current month is June, the date range is 01/01/2015 to 31/03/2015.
Last Year	To produce the report for the previous year, use this option.
Last Financial Year	The report dates default to a 12 month period for the last financial year, based on the day and month you entered for your Year End Date. Note: This produces the report for the previous year regardless of the year set in Financial settings.
Custom	Enter the report dates you want to run the report from and to.

3. Refine > if you use analysis types, for example departments, to run the report for a particular type or category, choose the relevant options.

To view how the values are calculated for a particular ledger account, click the relevant line. This takes you to the Nominal Activity Report and shows the transactions for this account in the specified period. If you want to view details of a transaction, click the individual entry. To return to the Profit and Loss Report, click back on your browser menu bar.

4. To save or print the report > Export > choose one of the following options:
 - CSV – Depending on your Internet browser, the file automatically downloads to your Downloads folder or you're prompted to save the file. If prompted to save the file > browse to where you want to save the file > Save.
 - PDF – The PDF opens in a new window or tab. Open your browser File menu > choose to print or save the report.

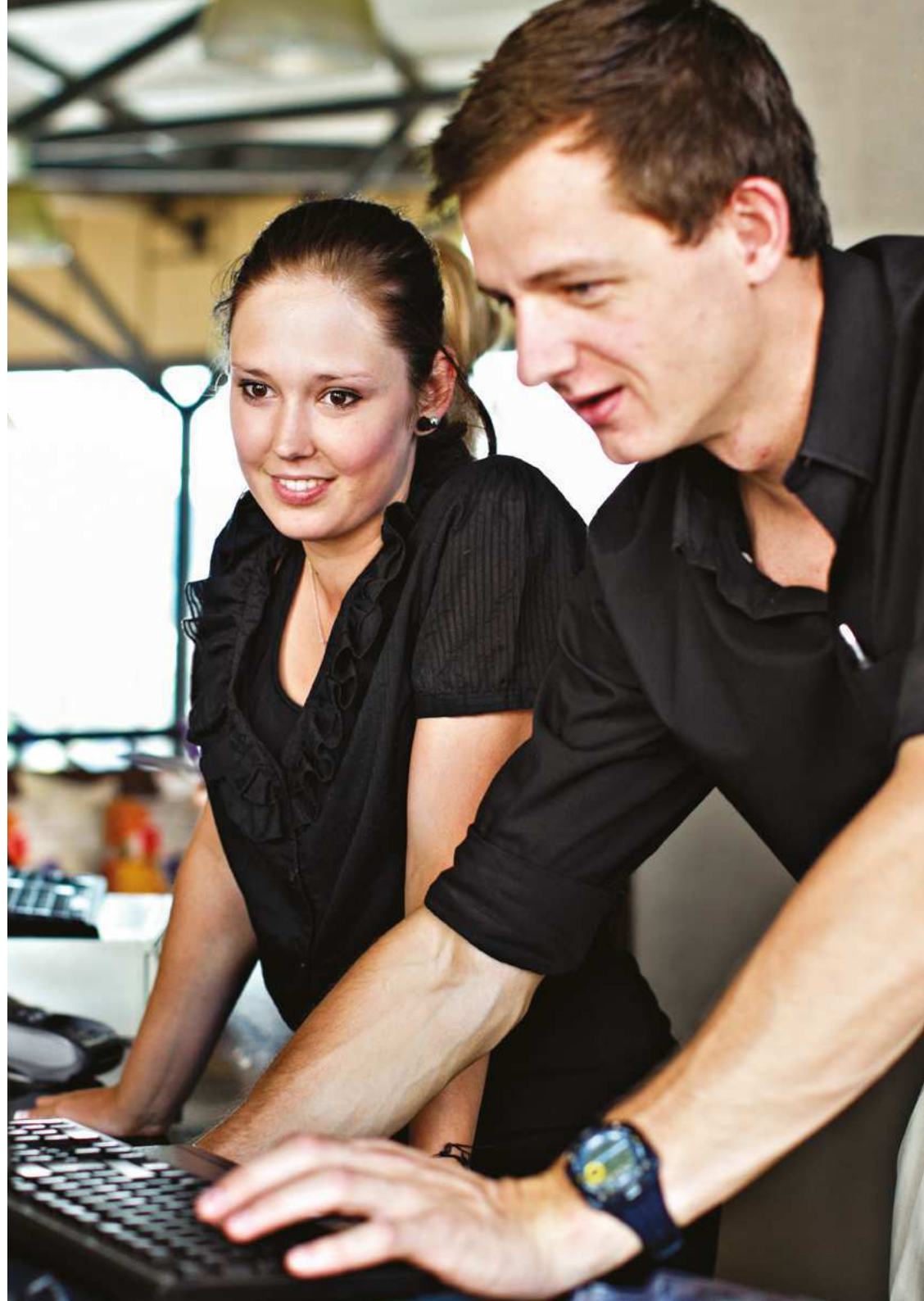
VAT

This section will cover:

- How to create a VAT Return
- How to submit/save a VAT Return
- How to pay a VAT Return

Most companies are registered for VAT and need to submit a return to HMRC once a month or quarterly. Doing this in Sage One Accounting is quick and easy. Once you've created the return, you can also record your [payment or refund of VAT](#).

If you'd like to know more about how Accounting calculates the values on your return, please see our [How the VAT Return calculates](#) article.



To create a VAT return and submit it to HMRC

1. Reporting > Vat Returns.
2. Create VAT Return > check and if necessary amend the from and to dates > Calculate.

If you have transactions from an earlier period which haven't been included in a VAT Return, you're asked if you want to include them. To view these transactions > View prior period transactions. To include these transactions on the current return > Yes, alternatively, if you don't want to include them > No. If you click No, you won't be prompted to include these transactions again on future returns.

4. Check the values on the VAT Return are correct.

To check which transactions the VAT Return includes, click detailed report. The report shows the transactions included in each box on the return. If you want to know more about how the values in each box are calculated, please see our [How the VAT Return calculates](#) article.

5. If you want to adjust any values on the return, click Adjust next to the relevant box > enter the amount you want to change the value by > enter a reason for the change > Save.
6. To print the return, click Print > open your browser menu > choose to print or save the report.
7. To print the detailed report > click the detailed report link > choose pdf.
8. Once the file has downloaded, from the menu bar, choose the relevant report.

From within your browser you can then print the report.

9. Select one of the following options:

- Submit online to the Government Gateway – If you want to submit directly to HMRC using Sage One, select this option. Check or enter your Government Gateway credentials. HMRC use these details to identify your company, therefore you must check you are correct before continuing.
- Submit to HMRC by other means – Select this option if you want to manually submit your VAT Return to HMRC through your website.
- Save this return and submit it later – If you don't want to complete the VAT Return yet, for example, because you want to check your values are correct, select this option. You can then return to the saved return at a later time to complete it and, if applicable submit it to HMRC using Sage One.

If you choose to save the return for later, the transactions included in this return are marked as VAT reconciled and you can make limited changes to them.

You've successfully created your VAT Return. You can view the status of the return from the VAT Return list. Once you're ready to do so, you can record payment or refund of VAT from HMRC as appropriate.

If for any reason your submission to HMRC wasn't successful, from the VAT Return list, click the relevant return and the reason for the submission failing appears on the right-hand side. You should fix the error and try submitting again.

The most common reason for a VAT Return failing to submit is error code 1046 authentication failure. This is because HMRC can't recognise the credentials you used to submit your return. If this is the case, select Submit online to the Government Gateway > enter the correct details > try submitting again

To pay a VAT Return

Once you've successfully created and submitted your VAT Return, to clear your VAT liability you need to record the payment of VAT to HMRC or, if applicable, the amount of VAT you've reclaimed.

You can only record a payment or reclaim of VAT after the VAT Return has been marked as submitted. The amount you need to pay or reclaim appears on the relevant HMRC contact record.

1. Reporting > VAT Returns > click the VAT Return you want to pay.
2. Pay > complete the following information:

Amount *	The amount due to HMRC automatically appears. If necessary, you can pay less than this amount but you can't pay more.
Date *	Enter the date of the payment.
Bank From *	Choose the bank account you want to make the payment from.
Reference	If required, enter a reference for your records.

* These details are compulsory.

3. Click Save.

You've successfully cleared your VAT liability and the VAT Return shows as Paid. If you didn't pay or reclaim the full amount, it shows as Part paid.

Updates to Sage One Accounting

We make regular updates to this service, based largely on feedback from you and yours. Bookmark the page below to keep up to date with the latest changes to our service:

<http://uk.sageone.com/accounts-extra-updates/>



Should you require any further assistance
please contact us on our website
www.tectanet.co.uk



Tectanet Systems Limited
6D Lowick Close
Hazel Grove
Stockport
Cheshire
SK7 5ED
0845 094 2916

www.tectanet.co.uk