

VT Cash Book

User Guide

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1 Basics

1.1 Introduction

VT Cash Book can be used to record the day to day cash transactions for any size of business. VT Cash Book is extremely simple to use and data entry is very fast. VT Cash Book can be downloaded and used free of charge from www.vtsoftware.co.uk/cashbook

VT Cash Book is a highly simplified version of VT Transaction+. In particular, you cannot maintain customer and supplier ledgers using VT Cash Book. VT Cash Book files can be opened in VT Transaction+ and vice versa.

Features summary:

- Fast data entry with autocomplete
- Supports multiple bank/cash accounts
- Bank reconciliation
- VAT entries
- VAT returns and MTD (requires a VT Transaction+ or VT Accounts license)
- Easy correction of mistakes
- Profit and loss account, balance sheet and ledgers reports

1.2 Quick start

1. Start the software by double clicking on the VT Cash Book shortcut on your desktop. If you chose not to install a shortcut, click Start, click All Programs, click VT and then click VT Cash Book
2. Create a new [company/business data file](#) by choosing the New Company command from the File menu. Alternatively, an existing file can be opened by choosing the Open Company command from the File menu, or by double clicking on it in a folder in Windows
3. Enter transactions by clicking on the buttons on the main toolbar, or by choosing commands from the Transaction menu
4. Display accounts and other reports by choosing a command from the Display menu

1.3 Technical support

Support is only provided to VT Cash Book users if they have purchased a license for VT Transaction+.

Five support enquiries can be made within a year of purchase at no additional charge. Thereafter, support charges apply. VT Software will normally only provide support for one person per license. VT Software will only provide support to registered users/current subscribers.

If you have a problem, please read the relevant section of this guide first. Support information is also available on the web at www.vtsoftware.co.uk/support

Support enquiries should be sent by email to support@vtsoftware.co.uk Your email should include your name and postcode or customer number so that your database record can be found.

In some circumstances it may also be helpful to attach the VT Cash Book file you are

working on. In Microsoft Outlook a file can be attached to an email by dragging and dropping it from your Documents folder onto the email. Provided your email program is set up as the default mail program in Windows, you can also send a file as an email attachment by choosing the Send As Email Attachment command from the File menu of VT Cash Book itself.

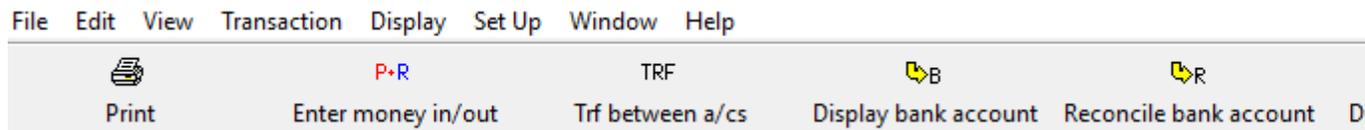
VT Software can provide support on how to operate the software, but cannot advise on the correct accounting treatment for individual transactions. If you are in doubt, you should consult your accountant.

1.4 User interface

Menus and commands

The words across the top of the VT Cash Book application window (eg File, Edit, View, Transaction, Display, Set Up, Window, Help) are referred to as menus. The options available when you click on a menu are referred to as commands. For the sake of brevity, commands are often referred to in the format *Menu name*>*Command name*. For example, the New Company command on the File menu could be referred to as the *File*>*New Company* command.

The row of mainly coloured buttons immediately below the menus is referred to as the main toolbar. These buttons provide faster access to the more frequently used commands.



The menus and the main toolbar in VT Cash Book

Pop-up menus

There are also a large number of pop-up menus in VT Cash Book. For instance, if you click on a transaction or entry with the right mouse button in any window there are commands to edit it or delete it.

Date	Reference	
31/01/20	PAY 000002	<ul style="list-style-type: none"> Edit Transaction... Delete Transaction... Change Type... Make Copies... Make Reversal Copy... Display Transaction Display Primary Account Display VAT Account Display First Analysis Account Spreadsheet Layout Copy All
31/01/20	PAY 000003	

A pop-up menu (right mouse click)

Application status bar

The grey bar at the bottom of VT Cash Book is referred to as the application status bar. There are panels on the bar to change the name and other properties of the company, change the current year and period, lock previous periods and to display the last transaction entered.



Screenshot of a section of the application status bar

Windows and dialogs

A *window* is a rectangular area within the application that can be left open whilst you do other things such as entering transactions. Most of the reports in VT Cash Book are in windows. Windows can be opened by choosing a command from the Display menu. Windows left open whilst you make set up changes or enter or edit transactions are automatically updated with the changes. Any number of windows can be left open. You can switch between open windows by choosing an item on the Window menu. A window can be closed by clicking on the cross in its top right corner.

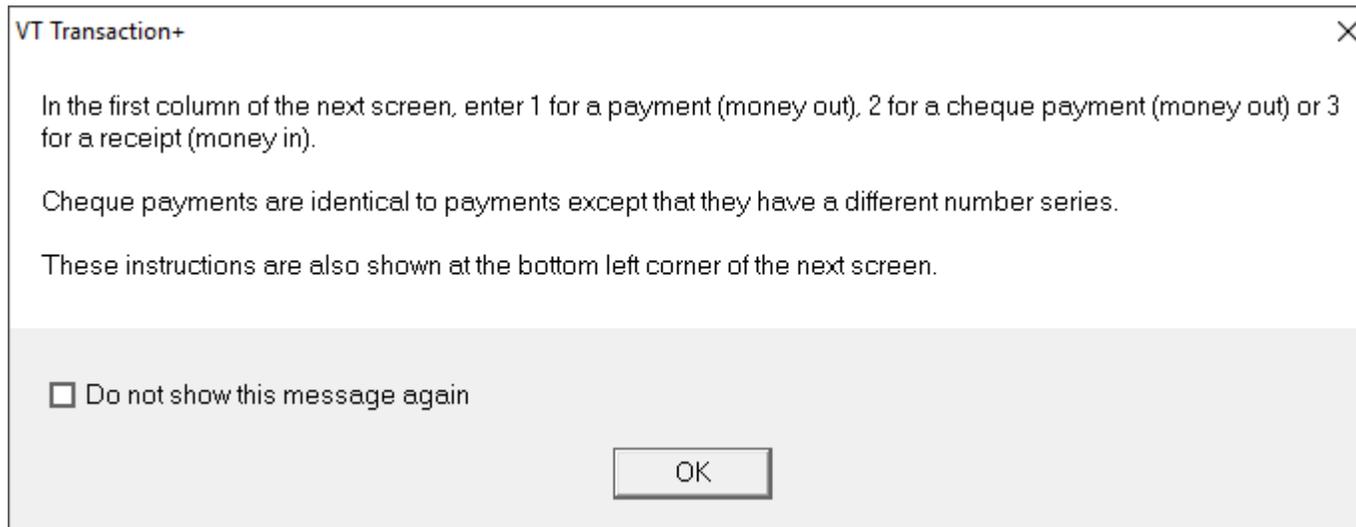
A *dialog* is a window that must be closed before you can do anything else. Dialogs often have OK and Cancel buttons. Dialogs are used (amongst other things) for entering and editing transactions.

Optional messages

VT Cash Book has a large number of optional messages like the one shown below. These can become very irritating, so do not hesitate to tick the *Do not show this message again* box.

Some users are reluctant to do this in case they forget the message in future. To get all the messages back, choose the *Set Up>Options* command. In the Options dialog, select

the User tab and click on *Untick all 'Do not show this message again' boxes.*



Optional message shown when clicking on the Payments And Receipts (P+R) button

1.5 Files and folders

A file is a named collection of data saved on your PC. Windows saves your files and looks after them. All files are handled by Windows in an identical manner. Applications such as VT Cash Book display and update the contents of particular types of files.

Files are organised by Windows into groups called folders. Files containing user data are typically stored in your Documents folder. To display your Documents folder:

1. Click the Start button at the bottom left corner of your screen
2. Click Documents

In versions of Windows before Vista, the Documents folder was called *My Documents*.

Programs such as VT Cash Book are also stored in files. These files are typically stored in the *Program files* folder. Unlike files containing user data, these files should never change after being installed (and hence should be left well alone).

A shortcut is a small file that points to a file in another folder. The icon for a shortcut has a small arrow in its bottom left corner.

You can usually open a file by double clicking on the file (or a shortcut to the file) in a folder.

1.6 VT Cash Book data files

Each company or business in VT Cash Book has a single [file](#) that contains all the data for that company. This is just like the way a spreadsheet or word processing document works. However, unlike a spreadsheet or word processor, transactions are automatically saved to disk as soon as you click Save in a transaction entry dialog. There is therefore no Save command on the File menu.

Files can be stored in any folder to which you have access, including folders on network drives. However, only one user can open the same company at the same time.

The maximum number of companies you can create is limited only by the disk space available. On a modern PC this is unlikely to be a constraining factor.

Because each company has a single file, it is easy to move a file between PC's on a memory stick or to [backup a file](#).

As noted in the [Files and folders](#) topic, your data file(s) and the VT Cash Book software are separate things. The data is saved by Windows on your disk, and not "in" VT Cash Book itself. VT Cash Book merely displays and modifies the data in whichever file you have open at the time.

You can create a new company or business data file by choosing the New Company command from the File menu in VT Cash Book. You can open an existing file by choosing the Open Company command. The most recently opened companies are also listed at the bottom of the File menu and in the Recently Opened Files window (Display menu) in VT Cash Book. You can also open an existing company by double clicking on it in the folder in which it is saved.

To password protect your data file, choose the *Set Up>Passwords* command.

If you normally work on just one company, you can create a shortcut to it on your desktop. Double clicking on the shortcut will then open both VT Cash Book and your file. You can create a shortcut by selecting the file in the Recently Opened Files window (Display menu) in VT Cash Book and by clicking on the Create Desktop Shortcut caption at the bottom of the list.

VT Transaction+ data file names end with the characters *.vtr* and are typically saved in your Documents folder. VT Cash Book file names end with the characters *.vcb*. These endings (which are often hidden) tell Windows which application to open the file in when you double click on a file in a folder such as your Documents folder. For instance, if you double click on a VT Cash Book file in a folder, it will open it in VT Cash Book (alternatively, you can right mouse click on it and choose the Open With VT Transaction+ command from the pop-up menu).

You can delete a data file in the same way as any other file by dragging the file to the recycle bin.

1.7 Using VT Cash Book on a network

The set up program should be run on each PC that you wish to use VT Cash Book from and the software installed to the folder suggested on the local drive (usually C:\Program Files\VT Transaction).

The data files can be held in any folder to which all the users have access. If you already have a data file in your Documents folders, you should simply move it using Windows to a shared folder. Please note that only one person can open the same company at the same time.

By default, the New Company and Open Company dialogs initially point to your Documents folder. You can change this to a shared drive by choosing the Default Folders command from the Set Up menu. Alternatively, you may find it easier to open files just by double clicking on them in the shared folder.

1.8 Backing up data files

If you lose a word processing file, you can retype the letter. If you lose a VT Cash Book data file, reconstructing the data may be very time consuming or even impossible. A file can be lost or damaged in several ways:

1. Your computer is stolen
 2. You accidentally delete the file
-

3. Your disk, computer or network fails or corrupts files

There are commands on the File menu of VT Cash Book to back up and restore data to a CD, memory stick or any other drive.

1.9 Corrupted data files

Computers or networks can occasionally fail. In turn this can lead to your data file becoming corrupted. If VT Cash Book exhibits unusual behaviour, choose the *File>Maintenance>Check For Errors/Repair* command. This checks the file for inconsistencies and errors. For instance, a stored account balance may not match the sum of the entries in the account. If any error is found, you will be prompted to automatically repair the file. Sometimes, the repair process has to remove a small number of corrupted transactions. In this case it will report this, usually with the transaction reference numbers. On exceptionally rare occasions a large amount of data may be lost. This illustrates the importance of keeping [back up copies](#) of your data files.

1.10 Moving VT Cash Book to a new PC

It is important to note that the VT Cash Book software and your data files are two separate things and must be dealt with separately as shown below. There is no point copying the VT Cash Book executable file (CashBook.exe). It will not work unless you run the installation program and it does not contain your data.

If you wish to start using VT Cash Book on a new PC:

1. [Download](#) and install VT Cash Book on your new PC
2. On your old PC, insert a USB memory stick, open your company in VT Cash Book and choose the *File>Backup To Removable Drive* command
3. On your new PC, insert the USB memory stick, start VT Cash Book and choose the *File>Restore* command

If you have several data files, it may be easier to copy them by dragging them from your Documents folder on the old PC to your memory stick folder, and vice versa on the new PC.

1.11 Emailing a data file

There are two way of sending a VT Cash Book data file:

- Choose the Send As Email Attachment command from the File menu of VT Cash Book. This method will only work if your email program is set as your default mail program in Windows. It does not work for web browser based email accounts
- Manually attach the file in your email program. The exact method for attaching a file depends on your email program. For instance, in Microsoft Outlook you can simply drag the file from its folder onto the email. If you are not sure which folder your file is in, choose the *Display>Recently Opened Files* command

1.12 Receiving a data file by email

You should normally save a data file received by email to wherever your VT Cash Book files are saved (the default location is usually your Documents folder). In Microsoft Office Outlook, this is done by right mouse clicking on the attachment and choosing Save As from the pop-up menu. If you are unsure where the file should be saved, you could first

save it to a USB memory stick and then choose the *File>Restore* command in VT Cash Book to restore it from the memory stick.

Depending on your email program, you may also be able to open a VT Cash Book file directly from an email. For instance, in Microsoft Office Outlook you can simply double click on the attachment and it will open in VT Cash Book.

It depends on your email program whether changes you make to an attachment are retained after the email window has been closed. In Microsoft Office Outlook, you are prompted to save changes when you close the email window. However, it is easy to inadvertently choose no. In Outlook Express, your changes are lost without warning when you close the email window. This functionality is nothing to do with VT Cash Book and applies to all types of files. Bizarrely, if you change an Excel attachment in Outlook Express, Excel prompts you to save changes only to have them lost by Outlook Express without warning.

It is not unknown for VT Software to receive irate support calls from users who have lost data working on attachments (along the lines of *your* software has lost *my* transactions). For these reasons VT Software recommends that you always save an attachment to disk before working on it.

1.13 Working on a client's data file

It is important to note that VT Cash Book files cannot be merged. If a client sends you his file he must stop entering transactions until you have returned it to him. A typical order of events is as follows:

1. Client stops working on his file (he can still look at but he should not enter transactions)
2. Client emails his file to accountant
3. Accountant adds some entries and corrects some others
4. Accountant locks the period that he has prepared accounts for (*File>Lock Previous Periods* command)
5. Accountant emails file back to client
6. Client overwrites the old copy of his file with that emailed to him
7. Client resumes work

1.14 Accounts and ledgers

An account is a list of amounts due to or from the same person, or a category of income or expenditure. Although both types of account may appear to be very different, they are processed in an almost identical manner by VT Cash Book.

A ledger is a set of similar accounts. Accounts are often referred to in the format *Income: Sales* or *Customers: Fred Smith*. The first word is the name of the ledger and the second is the name of the account within the ledger.

Ledgers and accounts in VT Cash Book are selected by clicking on items in lists, or by typing the first few characters of the name. Initially, some users find this slower than other systems. However, VT Cash Book pre-selects the analysis account last used for a customer, supplier or payee so that data entry soon becomes very fast.

You can set up new accounts when you are entering a transaction. Accounts can also be set up, renamed or deleted by choosing the Accounts command from the Set Up menu.

A transaction consists of two or more entries. An entry is a single amount in an account. The balance on an account at a specified date is the sum of the entries in the account dated on or before that date.

1.15 Financial years and periods

All transactions are stored in a company in VT Cash Book in a continuous period which has neither a beginning nor an end date. The current year/period selected by the user can be changed backwards or forwards at any time without any change to the underlying transaction data. It is normal to use the same data file for all years for a company/business.

The period in which a transaction lies is determined by its date and not the period set up when the transaction was entered. You can enter transactions for a new year/period before you have completed the previous year/period. The date of a transaction can also be altered at any time (by right mouse clicking on it in any window and choosing Edit Transaction from the pop-up menu).

It is possible to operate VT Cash Book without any year or period being set up. This may be useful if you do not yet know the year-end date for a business.

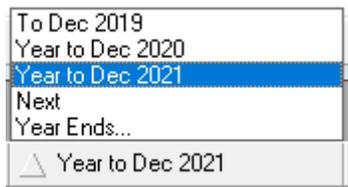
The contents of most of the reports in VT Cash Book are based on the transactions that fall within the currently selected year/period.

Current financial year

To set up the current financial year, or move to a different year, click on the current year caption on the application status bar. Clicking on this caption (or the options it displays) automatically sets up year-end dates as required. If you need to change or delete these dates for some reason, choose the Year Ends command from the Set Up menu.



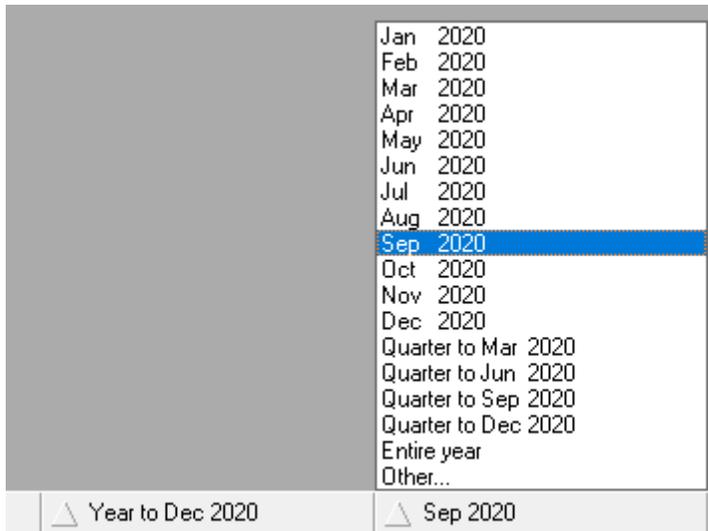
Example 1. Current year caption before any year has been set. Clicking on it displays a dialog to set the dates for the first year for the business



Example 2. Current year caption after one or more years have been set

Current period

If you are using VT Cash Book to record transactions on a day to day basis, it is normal to also select an accounting period such as a month from within the current financial year. This is done by clicking on the current period caption on the application status bar.



Current period caption on the application status bar

Locking previous periods

Transactions can be entered to any period in VT Cash Book, or any aspect of a transaction edited, unless the period is locked. It is important, therefore, to lock all transactions up to the date of the last set of accounts that have been finalised. A lock date can be set (or removed) by clicking on the Lock Previous Periods caption on the application status bar (or by choosing the *File>Lock Previous Periods* command). You can also optionally enter a password to prevent other users altering the lock date.



Lock previous periods caption on the application status bar

1.16 Bookkeeping basics

In essence, the main purpose of using VT Cash Book to record your transactions is as follows:

1. It tells you how much money you have in the bank (*Display>Balance Sheet* command)
2. It tells you how much you have earned and how much you have spent (*Display>Profit And Loss Account* command)
3. It tells you the amounts for your VAT return if you are registered for VAT (*Display>VAT Returns* command)

Whenever a transaction is entered, a minimum of two accounts are automatically updated by the software. For instance, if you enter the payment of a telephone bill, the amount in your bank account will be reduced. The software will also ask you to select an analysis account, such as *Expenses: Telephone*. The bank account tells you how much the bank owes you (or vice versa), and the telephone account how much you have spent on telephone calls.

2 Entering transactions (including opening balances)

2.1 Opening balances

To enter an opening cash or bank balance:

1. Click on the P+R button on the main toolbar
2. In the first column of the Payments And Receipts dialog, enter 1 (for a payment) for an overdrawn balance or 3 (for a receipt) for an in hand balance
3. Enter the amount of the bank balance in the Total column. Do not enter any VAT. The transaction should be dated the last day covered by the previous system
4. In the Analysis ledger column, select *Creditors*
5. In the Analysis account column, select *Opening balances contra*
6. Click on Save to save the transaction

If you have a bank reconciliation from a previous system, do the above for the statement balance and each outstanding item in the reconciliation.

2.2 Transaction entry methods

VT Cash Book has only two transaction entry methods. VT Transaction+ must be used for other types of transactions.

Button	Name	Purpose
P+R	Enter money in/out (Payments And Receipts)	Enter a combination of any number of payments, cheques and receipts on the same dialog. Cheques are identical to payments except that they have a different number series. The dialog has <i>hints and tips</i> panel at the bottom right that gives instructions for completing the box/column that the cursor is currently in
TRF	Transfer Between Bank Accounts	Transfer money between bank/cash accounts

2.3 Transaction reference numbers

Every transaction has a unique transaction reference number. For instance, the first payment you enter might be PAY 000001. A unique number is automatically suggested when you display a transaction entry dialog. The suggestion is normally the last number entered plus 1. You can overwrite the suggestion with your own number (provided it is not already in use), but it is normally best just to accept the suggestion. Because the numbers have to be unique, you cannot reset the numbers to 1 at the beginning of each financial year.

The reference number of the last transaction entered is shown at the bottom right of the VT Cash Book application window. It is good practice to write this number on any

supporting paperwork such as an invoice, and file the paperwork in reference number order.

Cheque payments (CHQ) follow a slightly different system. The number suggested is the last number used plus 1 for the particular bank account that is selected. The suggestion should always be overwritten with the actual cheque number if it is different. You can increment the suggestion using the + and – keys.

It is possible that one bank account uses the same cheque number series as another. If you attempt to use the same cheque number for a second time, VT Cash Book will ask you if you wish to allow duplicate cheque numbers (VT Cash Book makes the number unique by adding a suffix, but this is not shown in any report).

If you stop using duplicate cheque numbers, you can turn the warning back on again by unticking the *Allow duplicate cheque numbers* box on the *Transactions* tab of the *Set Up>Options* dialog.

The cheque number/reference number of a saved transaction can be changed at any time by clicking on the transaction in any report and choosing the *Edit Transaction* command from the pop-up menu. The option for changing the number is on the *General* tab of the *Edit Transaction* dialog.

2.4 Transaction dates

The date of a transaction determines the period that the transaction falls into for both accounting and VAT return purposes. The date that you enter can be in any past, current or future period provided that the period has been not been locked in the *File>Lock Previous Periods* dialog. A warning is given if you enter a date outside the current period, but this can be ignored (or even turned off in the *Set Up>Options* dialog).

A date is always suggested when you display a transaction entry dialog. Today's date is suggested if it falls before the end of the current accounting period. Otherwise, the last day of the current accounting period is suggested.

When the cursor is in a date box, you can press * for today's date, + or – to increment the suggestion or x to display a pop-up calendar.

The date of a saved transaction can be changed at any time by clicking on the transaction in any report and choosing the *Edit Transaction* command from the pop-up menu. The option for changing the date is on the *General* tab of the *Edit Transaction* dialog.

2.5 Transaction details

General

You should normally enter the name of the person you are paying or receiving money from in the details box in the payments dialogs. Previously used names are automatically suggested as you type. This process is known as AutoComplete.

AutoComplete works best when you just enter the name with no additional details. Please note that the analysis account usually indicates what a transaction is for and there is no need to repeat this in the details box. For instance, there is no need to indicate that a payment to BT plc is for a telephone if the transaction is analysed to the *Expenses: Telephone* account. Similarly, the transaction date often gives sufficient information about the period of a transaction.

The details of a saved transaction can be changed at any time by clicking on the transaction in any report and choosing the Edit Transaction command from the pop-up menu. The option for changing the details is on the *General* tab of the *Edit Transaction* dialog.

Capitalisation

When you enter details that are identical to a previous payment or receipt, the Payments And Receipts dialog overwrites any change in the case of the characters. This makes data entry faster as you do not have to distinguish between upper and lower case when typing the same details again.

If a mistake has been made in the case of the characters in an earlier transaction, you should correct the earlier transaction (by right mouse clicking on it and choosing Edit Transaction from the pop-up menu). When you change one transaction, all other transactions with the same details are also corrected.

For example, if you have previously saved a payment to *Ja Smith*, you should edit the payment to show *JA Smith*. All other payments to him will then correctly show *JA Smith*.

If the details begin with the same text as a previous transaction, you can change the capitalisation in the transaction entry dialog after typing the whole details, but not as you type.

2.6 Direct debits and standing orders

Direct debits and standing orders are entered in the same way as any other payment by clicking on the P+R button on the main toolbar. You can optionally type DDR or STO in front of the payee's name in the transaction details box.

2.7 Analysis ledgers and accounts

Introduction

When you enter a payment or receipt, you have to select two different types of account:

1. The bank or cash account
2. One or more analysis accounts

The analysis account you select determines how income or expenditure is shown in the Profit and loss account report (Display menu). To a certain extent this is a matter of preference. Typically, sales are analysed to accounts in the *Income* ledger and costs to accounts in the *Expenses* ledger.

Split Analysis

Transactions can be entered with a split analysis. For instance, a payment to BT plc can be partially analysed both to *Expenses: Telephone* and *Expenses: Internet*. To enter a split analysis, enter an amount other than the balance of the transaction in the last used row in the analysis amount column. An extra row is then automatically created. This can be done any number of times to create any number of analysis entries. Negative analysis amounts can also be entered and this is sometimes useful when entering unusual transactions.

Total	VAT	Analysis	Analysis ledger	Analysis account
120.00	20.00	80.00	Expenses	Telephone
		20.00	Expenses	Internet

Screenshot of a section of the Payments And Receipts dialog showing a split analysis

Selecting accounts

You can quickly select an analysis ledger by typing the first few characters of the ledger name in the analysis ledger column. Pressing the tab key then moves the cursor to the analysis account column. Similarly, an account can quickly be selected by typing the first few characters of its name. Alternatively, you can click on a ledger or account in the list that is displayed when the cursor is in the column. Next to the accounts list there are also buttons for creating a new analysis account and for displaying the entries in the currently selected account.

AutoComplete

When you enter a payment, an analysis account is automatically suggested if the *paid to/received from* details that have been entered match a previous transaction.

Changing an analysis entry

An analysis entry of a saved transaction can be changed at any time by clicking on the transaction in any report and choosing the Edit Transaction command from the pop-up menu. To change an entry, select it in the list on the *Entries* tab of the *Edit* Transaction dialog.

Examples

Transaction	Analysis ledger: Analysis account
Sale of goods	Income: Sales
Fees charged	Income: Fees
Interest received	Income: Interest receivable
Goods purchased for resale	Cost of sales: Purchases
Accountancy fees	Expenses: Accountancy fees
Motoring costs	Expenses: Motor expenses
Interest paid	Expenses: Interest - bank
Bank charges	Expenses: Bank charges
Purchase of small item of equipment	Expenses: Equipment expensed
Purchase of equipment	FA - Equipment: Cost - additions
Payment to HMRC for VAT due	Creditors: Net VAT due

Proprietor's drawings

Capital account: Drawings

Dividend on ordinary shares

Profit and loss account: Equity dividends

2.8 Bounced cheques

If a cheque that you have paid into your bank account is returned by your bank as unpaid, do one of the following:

- Right mouse click on the original REC transaction in any window and choose Make Reversal Copy from the pop-up menu. This method only applies if the transaction is for a single receipt
- Enter another REC transaction for the amount of the returned cheque but enter all the amounts as negatives (including VAT if applicable). Choose the same analysis account as in the original transaction. If the original REC transaction was entered by clicking on an invoice in the customer's account window, the negative REC should be entered by clicking on the black REC button (Receipt On Account) at the bottom of the account window. This is especially important if you are operating the VAT cash accounting scheme, as the Receipt On Account dialog has a box for entering the VAT when VAT cash accounting is in operation

2.9 Wages and salaries

Neither VT Cash Book nor VT Transaction+ contain a payroll module. However, there are several inexpensive third party products available. At VT Software we use Moneysoft (www.moneysoft.co.uk) and we are very happy with it.

When you have run your payroll, you will need to record it in VT Cash Book. The simplest thing to do is just to analyse the net payment to each employee to the *Expenses: Wages and salaries* account. The payment of PAYE and NI and to HMRC should also be analysed to the *Expenses: Wages and salaries* account.

2.10 Fixed assets

Additions

A fixed asset is something that you buy and then use on a continuing basis, such as a computer. The purchase of a fixed asset is typically analysed to a balance sheet account such as *FA - Equipment: Cost - additions*. For convenience however, small items of expenditure may be analysed to *Expenses: Equipment expensed*.

Depreciation

The cost of a fixed asset is normally released to the profit and loss account in equal amounts over a period of, for example, five years. Computers may be released over a shorter period such as three years. The amounts released are known as depreciation. Neither VT Cash Book nor VT Transaction+ contain a fixed asset register and hence they cannot automatically calculate the amount of depreciation for a period.

Depreciation can only be entered using VT Transaction+. There is more detail in the equivalent help topic in VT Transaction+.

2.11 Dividends paid

Dividends paid on ordinary shares (net of any related income tax benefit) should be analysed to the *Profit and loss account: Equity dividends* account.

Dividends paid on preference shares are normally analysed to the *Expenses: Non-equity dividends* account.

2.12 Recurring transactions

Recurring transactions are simply entered by making copies of an existing transaction:

1. Find the transaction you want to make a copy of in any window (choose a command from the Display menu)
2. Right mouse click on it and choose Make Copies from the pop-up menu
3. In the Make Copies dialog, enter the date of the first copy, the number of copies and the interval between copies

Once copied, the transactions are immediately entered into the accounts. It is important therefore that the accounting period is correctly set so that future transactions do not show in reports such as the bank account, bank reconciliation, profit and loss account and balance sheet. If you have the accounting period set to an entire year, you should click on the accounting period caption on the application status bar and select a month or other period.

3 Reports, correcting mistakes, bank reconciliation

3.1 Displaying reports

All reports in VT Cash Book are on-screen reports. To display a report choose a command from the Display menu. Most report windows have a grey status bar at the bottom that contains options for the layout or contents of the report.

Click on the Print button on the main toolbar to print the report in the active window. The Print dialog also has a button for creating a PDF file of the report.

The whole or part of any report can also be copied to a spreadsheet by choosing the *Edit>Copy* command.

3.2 Sign convention

Except for those noted below, reports in VT Cash Book follow the following sign convention:

Sign	Profit and loss accounts	Balance sheet accounts
+	Expense	Asset
-	Income	Liability

Negative amounts are also normally shown in red, although this can be changed by choosing the *Set Up>Options* command (General tab). You can display red amounts on screen but still have them printed in black by choosing the *Set Up>Options* command (User tab)

The only reports that do not strictly follow this convention are the *Profit and loss account* and *Balance sheet* reports. You can click on the Options button at the bottom of these reports to change the convention for each individual ledger shown in the report. The default for the profit and loss account report is for income to be shown as plus and expenditure as minus for all ledgers. The default for the balance sheet report is for assets to be shown as plus and liabilities as minus. This is reversed for the capital section of the balance sheet.

3.3 Report windows

The following report windows are available (see commands on the Display menu):

Account

Lists the entries in any account (you can also click on buttons on the main toolbar to quickly display a bank, customer or supplier account).

Ledgers report

Lists the entries in all accounts

Transaction

Displays a transaction in double entry format. The easiest way to display this window is normally to click on a transaction reference number in an account or other window

Transaction list/daybook

Lists transactions of the same type in *Gross, VAT, Net* format

Transactions report

Displays all transactions in double entry format

Profit and loss account

A summary of the income and expenditure of a business based on account balances. The columns in this report change depending on whether you have the accounting period set to the entire year or a shorter period such as a month

Balance sheet

A summary of the assets and liabilities of a business based on account balances. The columns in this report change depending on whether you have the accounting period set to the entire year or a shorter period such as a month

VAT returns

Displays any saved VAT return. There are tabs for the double entry behind the return, the return itself, list of outputs, list of inputs and the backup report

3.4 Drill down

In most report windows, parts of each row are shown in blue. You can click on this text to show another related report window. For instance, in the profit and loss account, balance sheet and trial balance windows, you can click on an account name to display the entries in the account.

3.5 Correcting mistakes

Any aspect of a transaction can be changed by clicking on it in an account or any other report window (including an unsaved bank reconciliation or VAT return) with the right mouse button and choosing Edit Transaction from the pop-up menu. In the account window you can also click on the three dots at the right-hand end of an entry.

You can use the Edit Transaction dialog just to see all the details of a transaction. You can then change any aspect immediately if it is incorrect.

A transaction can be deleted by clicking on it in with the right mouse button and choosing Delete from the pop-up menu.

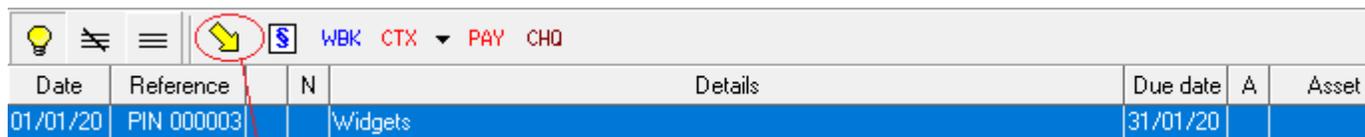
You can correct a transaction that has been entered as the wrong type (for instance as a PAY instead of an REC) by choosing the Change Type command from the pop-up menu.

Several entries in the wrong account can be corrected by displaying the account, selecting the entries and then by clicking on the Move Entries button near the top of the account window.

You cannot make a change to a transaction if that change would affect the total on a saved bank reconciliation or VAT return. As an alternative, you can choose the Make Reversal Copy command (or Raise Credit Note command for an invoice) from the pop-up menu, and then re-enter it correctly.

You can prevent transactions and entries from being changed or deleted by choosing the Lock Previous Periods command from the File menu. You can also apply a password if you want to stop other users unlocking a period.

You can prevent unauthorised users editing and deleting transactions by choosing the *Set Up>Passwords* command.



Section of an account window showing the *Move Entries* button that appears when you select one or more entries

3.6 Bank reconciliation

Introduction

If you enter transactions directly from your bank statements, then the bank account balance per VT Cash Book should agree exactly with your last bank statement. However, many businesses enter transactions into VT Cash Book as soon they incur them. There may then be some delay before they appear on a bank statement. This is especially true for cheques sent to suppliers as there may be a delay before these cheques are banked. In these circumstances, you should use the bank reconciliation procedure in VT Cash Book to agree the balance. It is fast and easy to use and provides a list of the entries you have made in VT Cash Book that have not yet gone through your bank account.

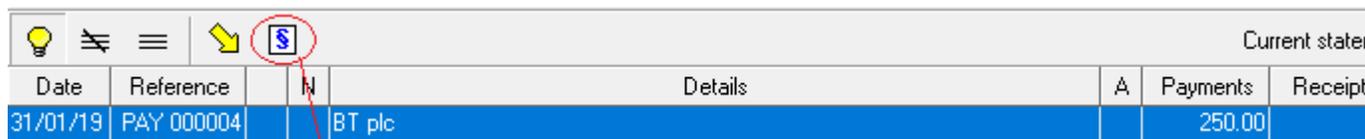
Reconciling your bank account is a vital step in ensuring the accuracy of your accounts, and also highlights any mistakes made by your bank.

Bank accounts are reconciled by displaying the bank account in the bank reconciliation view. Any number of bank accounts can be maintained and reconciled.

Transactions that have been reconciled can still be edited, but the system will not allow you to make any change to a transaction that would alter the closing balance of a reconciled statement.

Step by step

1. Click on the *Reconcile bank account* button on the toolbar (R). This displays the bank account in the account window with the view set to bank reconciliation
2. Ensure that the *Balance per last statement reconciled* shown at the bottom of the window is correct. If you have inherited a reconciliation from another system, click on the entry representing the statement balance instead
3. Click on each item also on the bank statement being reconciled (do not click on any text shown in blue as this jumps you to another report)
4. If you find you have omitted transactions from VT Cash Book, enter them now
5. If an entry is incorrect in VT Cash Book, click on it with the right mouse button and choose Edit Transaction from the pop-up menu
6. If the bank statement contains an entry in error, enter it as a transaction and analyse it to a bank errors account. When the error is subsequently corrected, enter it and analyse it to the same account
7. If you have correctly selected all the entries which are on the statement being reconciled, the current statement balance should be correctly displayed in the row above the column headings
8. To save the reconciliation, click on the *Add reconciliation mark* button (§) that appears when entries are selected on the toolbar just above the entries



Date	Reference	N	Details	A	Payments	Receipts
31/01/19	PAY 000004	N	BT plc		250.00	

Section of the bank account window in the reconciliation view showing the *Add Reconciliation mark* button

Displaying/printing statements and undoing reconciliations

Bank statements as such are not saved by VT Cash Book, but reconciled entries can be shown grouped by bank statement. These 'statements' in VT Cash Book are identical to the underlying bank statements except that the entries may be in a different order.

To display a summary of reconciled statements, click on the *Display statements summary* button on the toolbar at the bottom of the account window, or click on the *Balance per last statement reconciled* caption in the reconciliation view. This displays the Statements summary dialog. To display the entries on a particular statement, click on a statement in the Entries column of the dialog. In the Entries dialog, there are buttons to change the date or number of the statement, or to de-reconcile the entries if you have made a mistake.

The dialogs referred to above both have a Print button. However, there is very little need to print a statement as it is permanently available on-screen, and the amounts of the entries that make it up can no longer be edited.

Displaying/printing bank reconciliations

A reconciliation can be displayed at any time by clicking on the R button on the toolbar, or by clicking on the Reconciliation tab if you are already displaying the bank account window.

The reconciliation displayed is the last one dated on or before the end of the current accounting period. If you want to display an earlier reconciliation, simply change the current year/period back to an earlier period by clicking on the captions on the application status bar. If the reconciliation you are displaying is not the latest one, a reconciliation mark (§) against an entry indicates that the entry is matched off to a later statement.

You can print a reconciliation by clicking on the Print button on the main toolbar. However, as with statements, there is very little need as it is permanently available on-screen, and the entries that make up the statement balance can no longer be edited.

Reconciliations for all bank accounts in a ledger can be displayed/printed by choosing the *Display>Ledger Report>Single Ledger* command.

4 Value Added Tax

4.1 Introduction

If you are registered for VAT, you normally have to charge your customers VAT on your sales and hand that money over to HM Revenue and Customs (HMRC). Similarly, if you are charged VAT by your suppliers you can normally recover that money from HMRC. Typically every quarter you have to complete a VAT return showing the amount due to HMRC and pay that amount. You are also required to show on the VAT return the total value of your sales and purchases excluding VAT.

You should tick the VAT registered box in the VAT dialog (Set Up menu) if you are registered for VAT. When this box is ticked, boxes for entering VAT appear in the invoices and payments dialogs.

When you enter invoices and payments, the VAT amounts that you enter are automatically entered to the VAT input and output accounts. Any entries in these accounts not in a previously saved VAT return form the basis for the next VAT return that you create.

This help topic is not intended as a substitute for the leaflets and guidance issued by HMRC which can be found at <https://www.gov.uk/topic/business-tax/vat>. You should consult your accountant if you are in any doubt over how to use the VAT features in VT Cash Book.

4.2 VAT Cash Accounting

Under VAT cash accounting, VAT is based on the date an invoice is paid and not on the date of the invoice. Businesses that meet certain criteria can use the cash accounting scheme. Because you cannot enter invoices into VT Cash Book before they are paid, VT Cash Book is only suitable if you can and do operate the VAT cash accounting scheme.

4.3 Entering VAT

To enter VAT, simply enter the actual amount of VAT payable or receivable in the VAT column in the Payments And Receipts dialog. To quickly calculate VAT at the standard rate, press the * key when you are in the VAT column. If a transaction is zero rated, exempt, outside the scope of VAT or from an unregistered supplier, leave the VAT box blank or enter zero.

There is no option in the Payments And Receipts dialog to specify that a transaction is outside the scope of VAT. Instead, this is automatically determined by VT Cash Book based on the analysis account(s) selected (for more information on this, see the [Net value of transactions](#) topic).

The VAT rate(s) set up are for use as an aid to calculating the amount of VAT and have no other significance. You can alter or set up VAT rates by choosing the *Set Up>VAT* command and then by selecting the *VAT rates* tab.

Total	VAT	Analysis	Analysis ledger	Analysis account
120.00	20.00	100.00	Expenses	Telephone

Screenshot of a section of the Payments And Receipts dialog

4.4 Creating a VAT return

To create a VAT return:

1. Click on the VAT button on the main toolbar
2. In the VAT returns window, click on the New VAT return caption at the bottom left. This prompts you for the dates of the return and then displays an unsaved VAT return in a window with tabs listing the entries that make up the return
3. A VAT return includes all entries up to the end date of the return that are not yet in a saved return. If this is not correct, you may need to create and save a dummy return for the previous period first. This scoops up all old entries and prevents them falling into the next return
4. If some transactions are not yet entered, enter them now. The unsaved return will be automatically updated
5. If there are mistakes in a return, you can edit or delete a transaction by right mouse clicking on it in the unsaved return
6. If a transaction with no VAT on it incorrectly appears in the return, right mouse click on it and choose Change Transaction To Outside The Scope Of VAT from the pop-up menu
7. When you are happy with the return, click on the Save button. The balance due on the return will be transferred to the *Creditors: Net VAT due* account and the entries making up the return will be marked to prevent them falling into the next return. The return will now appear in the list of saved returns in the VAT returns window

You can print out the currently selected tab in an unsaved or saved VAT return by clicking on the Print button on the main toolbar.

VT Cash Book does not allow any change to a transaction that would change a total in a saved VAT return.

4.5 Paying a VAT return

To enter the payment of a VAT return:

1. Choose the *Display>Defined Account* command, select the *Net VAT due* item and click OK
2. Click on the VAT return entry to be paid (do not click on any text shown in blue as this jumps you to another window). If the VAT return entry is not initially visible, click on the All Entries tab at the bottom of the account window
3. Click on the PAY or CHQ buttons that appear on the toolbar just above the entries in the account window

4.6 Net value of transactions

Introduction

Boxes 6 and 7 of the VAT return report the value of transactions net of VAT. Transactions are still included in these boxes when they have a zero amount of VAT unless they are outside the scope of VAT. Items that are exempt, zero rated or supplies from unregistered traders are included in boxes 6 and 7. Items that are excluded are wages, salaries, PAYE, NI, drawings, capital introduced, loans, dividends, gifts of money, insurance claims, stock exchange dealings, MOT certificates, motor vehicle license duty, local authority rates, and income which is not consideration for a supply. Surprisingly, the HMRC leaflet *Filling in your VAT return* makes no specific reference to interest paid and received. However, interest is normally left out of your VAT return unless you are a financial institution.

How the net value is determined

VT Cash Book automatically determines the amounts to be put into boxes 6 and 7 based on the analysis account(s) of the transaction.

A transaction normally has one analysis entry but will have several if you have entered a split analysis. Each analysis entry has a *within the scope of VAT* attribute. This attribute is automatically set based on the VAT status of the analysis account at the time you enter the transaction. There is no option at this stage to override this.

The amount included in boxes 6 or 7 of the VAT return for the transaction is the sum of the analysis entries that are within the scope of VAT. Hence it is possible for a transaction to be partially outside the scope of VAT.

Correcting mistakes

You can change the VAT status of an analysis account at any time by choosing the *Set Up>Accounts>All* command and then by double clicking on an account. If an account already contains entries, you will also be asked if you want to change all transactions analysed to the account that are not yet in a VAT return.

You can change a transaction with a zero amount of VAT on it to outside the scope of VAT by right mouse clicking on it in an unsaved VAT return and then by choosing the *Change Transaction To Outside The Scope Of VAT* command from the pop-up menu.

You can change the VAT status of any analysis entry in a transaction by clicking on the transaction with the right mouse button in any report (including an unsaved VAT return) and then by choosing Edit Transaction from the pop-up menu. If you select an analysis entry on the Entries tab of the Edit Transaction dialog, a Within VAT Scope tick box will be displayed for that entry.

A transaction is automatically given a VAT entry if it has at least one analysis entry that is within the scope of VAT. You cannot directly create or delete the VAT entry in the Edit Transaction dialog. Instead, you have to tick or untick the VAT scope box for the analysis entry (or entries).

4.7 Correcting mistakes on VAT returns

If you discover mistakes in a saved VAT return before you have submitted it to HMRC:

1. Select the return in the VAT Returns window (VAT button on the main toolbar) and click on the Delete caption
2. Enter any missing transactions, or delete/edit existing ones by right mouse clicking on the transaction in any report
3. Create and save the VAT return again

If you discover mistakes in a submitted VAT return:

1. Enter any missing transactions
2. If a transaction was incorrectly entered, right mouse click on it in any report and choose Make Reversal Copy (or Raise Credit Note for an invoice) from the pop-up menu. The transaction should then be re-entered correctly. This process is necessary because you cannot directly edit transactions in a saved VAT return
3. Reversals and corrections should be dated within the VAT period in which the transactions fall. If that is not possible because a year-end has been finalised, it is best to date the adjustments before the current VAT period (or else an amendment return cannot be produced – see below)
4. Depending on the amount of the corrections and the HMRC regulations ruling at the time, you can either create and save an amendment return for the period concerned containing only the adjustments, or allow the adjustments to be included in your next VAT return. To produce an amendment return, click on the New VAT Return caption in the VAT Returns window (VAT button on the main toolbar). In the dates dialog, enter the dates of the period in which the correction lies. If you do not produce an amendment return, the corrections will automatically be included in the next VAT return produced

4.8 Purchase and sale of goods from/to the EC

You can only automatically account for the VAT on the purchase or sale of goods from/to the EC using VT Transaction+. Full details are included in the VT Transaction+ help topics.

4.9 Flat rate scheme

Under the flat rate scheme, the VAT due to HMRC is based on a percentage of your turnover and you do not have to keep records of the VAT on each individual sale and purchase.

Depending on your business, you may pay less (or more) VAT under the flat rate scheme than you would under the normal accounting rules.

VT Cash Book has no special support for the flat rate scheme and does not produce the return automatically. However, you can use VT Cash Book to determine your VAT inclusive turnover for the VAT period. You can then manually apply your flat rate percentage to that turnover to determine the amount of VAT due.

Under the flat rate scheme, you should enter all your transactions gross of VAT. It is normally best to untick the VAT registered box in the VAT dialog (Set Up menu). It is then not possible to enter VAT on transactions inadvertently.

To determine your VAT inclusive turnover for a period:

- Choose the *Set Up>Current Period* command and enter the dates of your VAT return
- Choose the *Display>Profit And Loss Account* command. You should add up the amounts in the Period column for any accounts to which sales within the scope of the flat rate scheme have been analysed
- If your VAT period straddles your year-end, you will need to carry out the above procedure both for the part of the VAT period that falls into the old year and the part that falls into the new year
- When you have finished, change the current accounting period back to whatever it was set to before you started

When you pay your VAT, it is normal to set up an account in the Income ledger to analyse your payment to. In your business accounts, therefore, turnover is shown net of your flat rate VAT cost.

4.10 VAT retail schemes

It is not possible to operate the VAT retail schemes using VT Cash Book. In VT Transaction+, custom transaction types can be set up to distinguish between standard and zero rated purchases. Full details are included in the equivalent section in the VT Transaction+ help topics.

4.11 Changing the standard VAT rate

Background

It is important to note that the standard VAT rate set up in VT Cash Book is used as an aid to calculation only. What actually matters is the amount of VAT entered in the VAT column in the Payments And Receipts dialog. Hence, if the standard VAT rate changes, it is possible to enter transactions at both the old and the new rates concurrently.

Changing the rate

To change the standard VAT rate:

- Choose the *Set Up>VAT* command
- Click the *VAT rates* tab
- Enter the new rate and click OK

You need to do the above for each company/business data file.

5 MTD for VAT

5.1 Introduction

Making Tax Digital for VAT is the system used to submit VAT returns electronically to HMRC.

The MTD for VAT features can be used from VT Transaction+, VT Cash Book or VT MTD For Excel.

The MTD commands are at the bottom left of the *VAT Returns* window in VT Transaction+ and VT Cash Book. The main commands are also on the *MTD And Tax Data* menu in VT Transaction+.

In VT MTD For Excel the commands are on the *VT MTD* menu on the *Add-Ins* tab on the Excel ribbon. The menu only appears when VT MTD For Excel is enabled. See the [VT MTD For Excel](#) topic.

To use MTD, you need to be [signed up for MTD with HMRC](#).

If you are an agent, the business needs to be [linked to your agent services account](#).

5.2 Granting authority

Before you can use the MTD features in VT you need to grant authority to 'VT Transaction+' to interact with HMRC on your behalf.

Authority is granted to 'VT Transaction+' regardless of the VT application.

To grant authority:

- VT Transaction+: Choose the *Grant Authority* command from the *MTD And Tax Data* menu
- VT Cash Book and VT Transaction+: Click on the *Grant authority* caption at the bottom left of the *VAT Returns* window
- VT MTD For Excel: Choose the *Grant Authority* command from the *VT MTD* menu on the *Add-ins* tab on the Excel ribbon

You will need your government gateway user ID and password.

Authority lasts for 18 months.

If you are granting authority as an individual business, the authorisation code issued to VT is stored in the VT Transaction+ file, VT Cash Book file or Excel workbook as appropriate. Authority is valid on any PC used to open the VT file or workbook. You can

cancel the authority at any time by clicking on the *Forget authority* caption in the Grant Authority dialog.

If you tick the *Grant authority using an agent services account* box in the Grant Authority dialog, the authorisation code is stored on the PC you are using. The same authorisation code can be used by VT Transaction+, VT Cash Book and VT MTD For Excel for any business that is [linked to your agent services account](#). However, you need to grant authority from each PC you are using.

VT supports and can store the codes for any number of agents.

5.3 Checking for submitted and outstanding VAT returns

To display a list of submitted and outstanding MTD VAT returns:

- VT Transaction+: Choose the *Display HMRC's List Of Your VAT Returns* command from the *MTD And Tax Data* menu
- VT Cash Book and VT Transaction+: Click on the *Display HMRC's list of your VAT returns* caption at the bottom left of the *VAT Returns* window
- VT MTD For Excel: Choose the *Display HMRC's List Of Your VAT Returns* command from the *VT MTD* menu on the Add-ins tab on the Excel ribbon

5.4 Submitting a VAT return

Note: A VAT return must be saved in VT Transaction+ or VT Cash Book before it can be submitted (choose the *VAT Return* command from the *Transaction* menu).

To submit a VAT return to HMRC:

- VT Transaction+: Choose the *Submit VAT Return To HMRC* command from the *MTD And Tax Data* menu
- VT Cash Book and VT Transaction+: Click on the *Submit VAT Return to HMRC* caption at the bottom left of the *VAT Returns* window
- VT MTD For Excel: Choose the *Submit VAT Return To HMRC* command from the *VT MTD* menu on the Add-ins tab on the Excel ribbon

5.5 Displaying a submission receipt

To display a submission receipt:

- VT Transaction+ and VT Cash Book: Click on the blue document icon on the row wherever the VAT return is listed, or select the VAT return in the *VAT Returns* window and click on the *Display submission receipt* caption at the bottom left of the window
-

- VT MTD For Excel: Choose the *Display Last Submission Receipt* command from the *VT MTD* menu on the Add-ins tab on the Excel ribbon

5.6 VT MTD For Excel

VT MTD For Excel enables VAT returns in any format in any Excel workbook to be submitted to HMRC. VAT return totals can also be digitally imported into Excel from VT Transaction+ and VT Cash Book files.

VAT returns in VT are normally submitted directly from VT Transaction+ or VT Cash Book. However, VT MTD For Excel may be useful if you have adjustments to make or are combining VAT returns from several VT Transaction+ files for a group VAT registration.

VT MTD For Excel is installed when you install VT Transaction+, but it still needs to be enabled in Excel.

To enable VT MTD For Excel:

- In the *Tell me what you want to do* box in Excel, type *Add-Ins* and press the Enter key. This displays the Add-Ins dialog*
- In the Add-Ins dialog, tick *VT MTD For Excel* and click OK

A VT MTD drop down menu will then appear on the Add-Ins tab on the Excel ribbon.

Follow the following tips if you don't want to grant authority more often than is necessary when using VT MTD For Excel:

- Use the same workbook for all the VAT returns for the same business, or save the current workbook under a new name just before you start a new return
- Use a different workbook for each different business
- Save workbooks whenever you are prompted to do so even if you appear to have made no changes. Behind the scenes the authorisation code is frequently renewed with HMRC and old codes are not valid

The authorisation code is stored on your PC if you are using authority granted by an agent services account, and the above comments do not apply.

* Or choose *File>Options>Add-Ins>Manage Excel Add-Ins>Go* (*Tools>Add-Ins* in Excel 2003)

6 Other topics

6.1 Account codes

Accounts are normally selected and referred to in VT Cash Book by their name. However, it is possible to also set up and display a code for each account. Account codes can be of

any length and can consist of both letters and numbers. Account codes must be unique across all ledgers. Account codes do not need to be set up for all accounts. Accounts can be selected by code and applicable reports can be sorted by ledger and then by account code.

It can be quite a lot of work setting up codes for each account and it does make VT Transaction+ a little less simple to use. On the other hand, data entry can be a little quicker (provided you can remember the codes) and the codes can be chosen to sort accounts in reports in a more meaningful order.

To turn on the account code features:

- Choose the *Set Up>Company Properties* command
- Click on the *Accounts codes* tab
- Tick the *Account codes* box and click OK

To set up codes for each account:

- Choose the *Set Up>Accounts>All* command
- Double click on each account that you want to set up a code for and enter the code (you do not have to set up a code for every account). You should aim to give each account a code with the same number of characters or else the sort order may be unexpected

If you subsequently turn accounts codes off, the codes you have set up are retained but cannot be seen unless you turn account codes back on.

When turned on, a code column is displayed in most lists of accounts. In these lists the sort order can be changed between name order and code order by clicking on the respective column header.

There is a tick box in each transaction entry dialog to select analysis accounts by code. When this is ticked, the analysis account list contains all the accounts in the company sorted by code. There is no need to separately select a ledger and an account can also be selected by typing the first few characters of its code.

Most of the reports on the Display menu have an Options button at the bottom of the window that displays an Options dialog. In the Options dialog there is a tick box to sort the report by account code if applicable. In reports that display accounts from more than one ledger, accounts are still sorted by ledger but within the ledger they can be sorted by code.

6.2 Year-end procedures

Introduction

There are no mandatory year-end procedures in VT Cash Book. You can set the current year to any year at any time by clicking the *Current year* caption on the status bar at the bottom of the VT Cash Book application window. You can make entries in the new year before you have completed the previous year.

It is possible to change the date of a year-end, or set up year-ends that are not 12 months apart, by choosing the *Set Up>Year Ends* command.

Behind the scenes

When you first set up a year, VT Cash Book automatically creates year-end transfer journals (including one for the end of the current year). These journals transfer the balances on accounts in profit and loss account ledgers to the cumulative profit and loss account in the balance sheet. The transfers are automatically updated whenever entries are made or changed. The transfers are largely invisible because closing year-end transfers are excluded from reports.

Optional year-end tasks

You are strongly advised to lock the year once your accounts have been finalised. This prevents retrospective entries or changes being made. You can optionally set a password when you lock a period to prevent it being unlocked by an unauthorised user. To lock a period, click on the *Lock previous periods* caption on the application status bar or choose the *File>Lock Previous Periods* command.

You may wish to print out or save to a PDF file the ledgers report for the year. This report lists the entries and balances for all accounts. To display the ledgers report, choose the *Display>Ledgers Report>Multiple Ledgers* command. To print it or make a PDF file of the report, click on the Print button on the main toolbar.

You may also wish to print out or save to a PDF file the transactions report for the year. This report lists all transactions in double entry format. To display the transactions report, choose the *Display>Transactions Report* command. To print it or make a PDF file of the report, click on the Print button on the main toolbar.

'Movement' accounts

Some balance sheet items are split into 'movement' accounts. For instance, fixed assets are split into balance b/fwd, additions and disposals. For unincorporated businesses, the capital account is split into balance b/fwd, capital introduced and drawings.

The year-end transfer journals in VT Cash Book automatically transfer the balances on these accounts to their respective brought forward accounts. You can review or change those accounts that are transferred by choosing the *Set Up>Balance Sheet Accounts – Year End Transfers* command.