Product Requirements Document and High Level Design
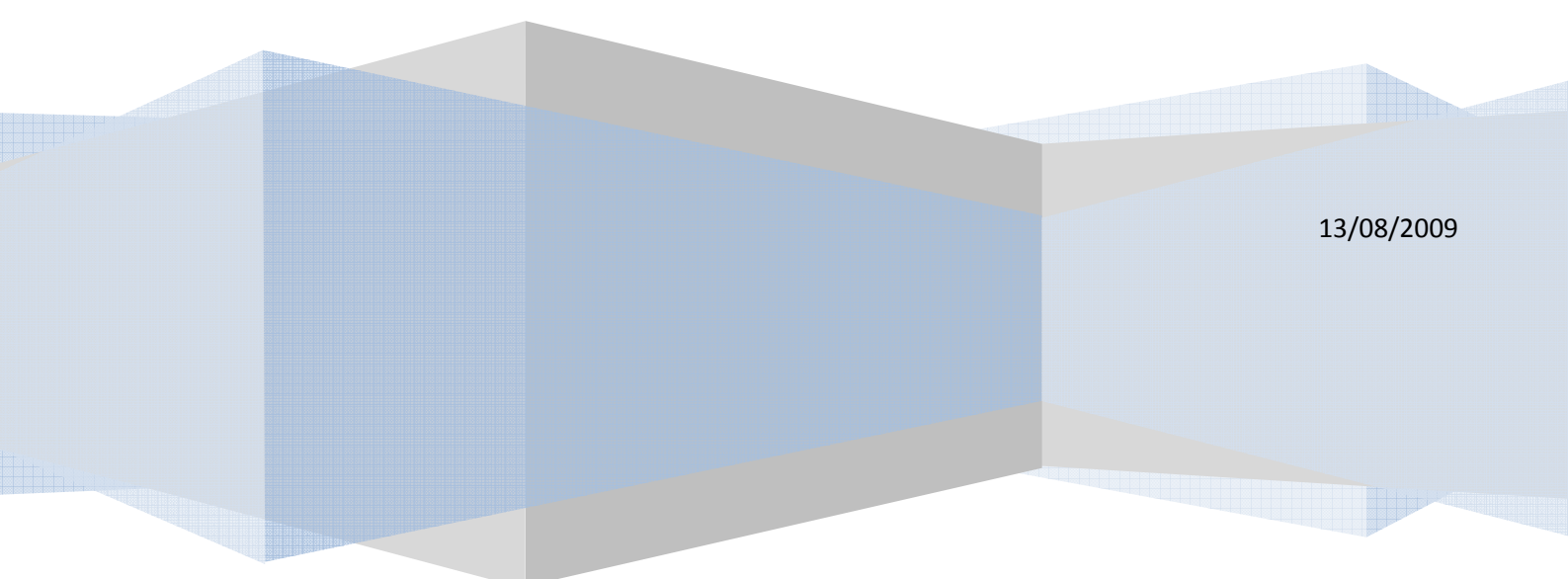
PRD Kevin Horlock - HLD Mark Higginson / Chris Sandow

PRD Version 1.2

HLD Version 1.1

13/08/2009

IRIS Product	IRIS Exchequer
Proposed Version	v6.2 Winter 2009 Release

Revision and Signoff Sheet

Revision

Date	Author	Version	Change Reference
30th July 09	K Horlock	0.1	
13th August	K Horlock	1.0	
13th August	K Horlock	1.1	Updated following MH observations
13th August	K Horlock	1.2	Updated following TR observations
19th August	M Higginson / Chris Sandow	HLD 1.0	
27th August	M Higginson	HLD 1.1	Updated EC Sales Rep/Exp Criteria

Reviewers

Name	Position	Version Approved	Date
M Higginson	Software Technology Manager		
C Sandow	Analyst Programmer		
T Roberts	QA Technician		
M Roke	Release Product Manager		
D Rustell	QA Manager		

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Purpose of Document

The purpose of the Product Requirements Document (PRD)

1) To sufficiently define the product requirements based on initial business analysis of the MRD to allow for further detailed analysis and facilitate the definition of a high level design (HLD) document.

SDLC Checkpoints That Must Be Covered

The Product Requirements Document (PRD) is part of the planning stage of the project. The planning stage of the project seeks to pass the following check points. The checkpoints that should be contained in this document are indicated in the table below.

Id	Description	In Document
P1/P2	Complete Business Analysis Per Requirement (P1, P2)	Product Requirements Document

PRD Instructions

This document should use the Marketing Requirements Document (MRD) as it's input. Each requirement from the MRD should

- *Have Business Analysis Performed on it*

Marketing Requirements Scope

User features

- Wizard approach to guide user in the generation of submissions
- Inclusion of test message and printed output for validation of data

Business features

- Conform to legislation and avoid HMRC penalty schemes

Indirect features

Ability to create and upload EC Sales list file directly onto HMRC website

User Profiles

Profiles and personas of typical users can be found in the Marketing Requirements Document for this project.

High Level Design

Architecture

No changes in architecture will be made in this release.

Deployment Analysis

The upgrade process from v6.00/v6.01 will require new fields on the Transaction Line table and an additional index, routines to automatically apply will be developed and integrated into the Upgrade program so no additional steps will be required by the user.

Coding Standards

The standard Exchequer Coding Standards will be applied.

System / Platform Analysis

This release will continue to support the existing Systems and Platforms supported by Exchequer v6.xx.

Source Control

This release will be stored in the standard Exchequer repository using SubVersion (svn://bmtdev1/exchequer/trunk). It is expected that shortly after Code Freeze the source code and any related items will be moved to a new branch (svn://bmtdev1/exchequer/branches/v62) for release and long term maintenance.

Risks

This release modifies areas of Exchequer that none of the current Exchequer Developers have ever worked on, several weeks of pre-HLD investigation have been done but this is still a major risk.

Iterations

It is expected that builds will be made available to QA after completion of all significant tasks to allow for the earliest possible detection of faults.

The first significant milestone will be the completion of the Transaction Line and Transaction Header modifications for Purchase Transactions to reset the VAT on service elements, together with the related modifications to the Purchase Posting process.
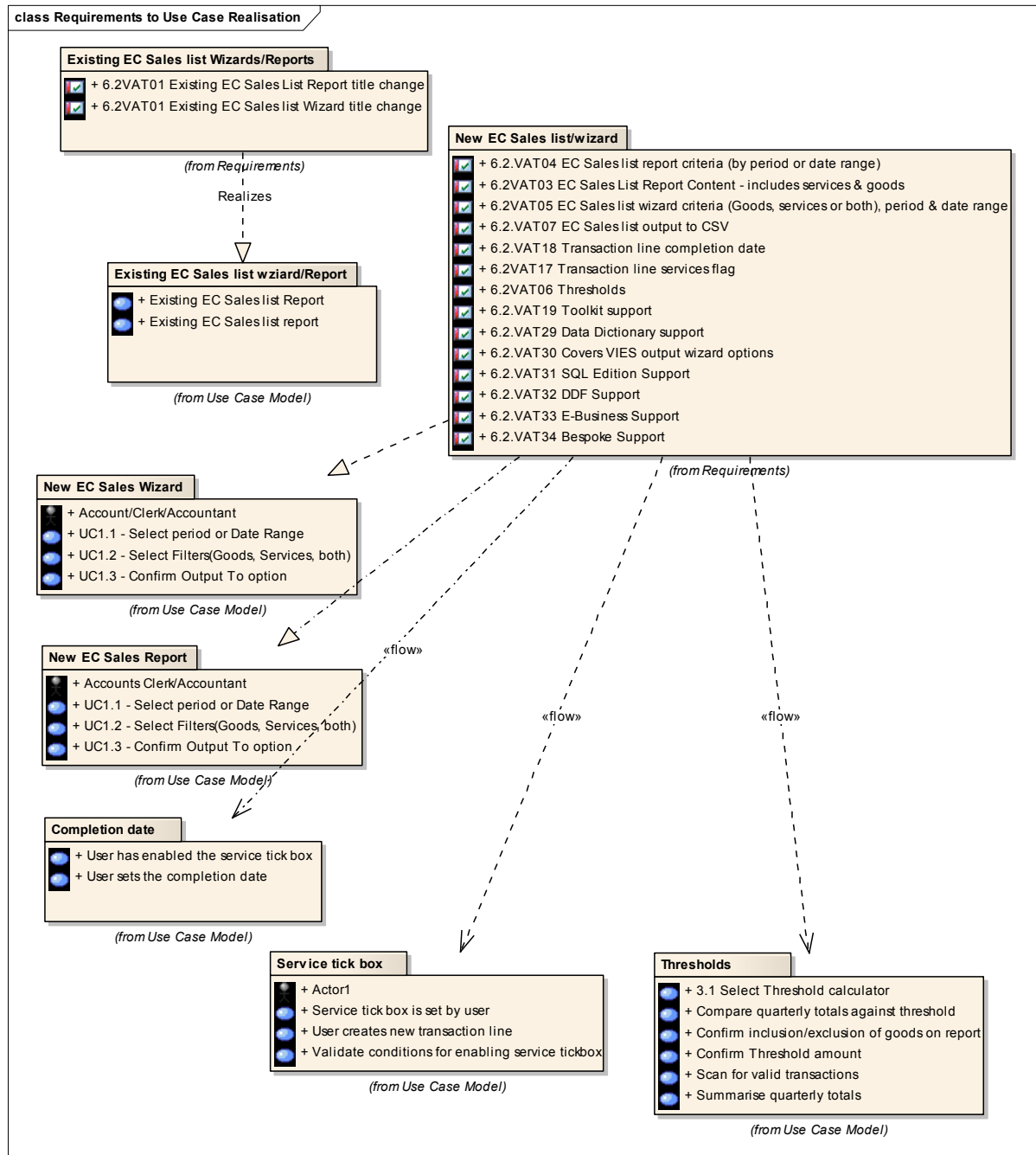
The second significant milestone will be the full implementation of the Transaction and Transaction Line changes together with the Reverse Charge modifications to the VAT Return.

The final milestone will be the completion of the changes to the EC Sales List Report and Export.

Requirements

class Requirements to Use Case Realisation

Existing EC Sales list Wizards/Reports
- + 6.2VAT01 Existing EC Sales List Report title change
- + 6.2VAT01 Existing EC Sales list Wizard title change

(from Requirements)

Realizes

Existing EC Sales list wziard/Report
- + Existing EC Sales list Report
- + Existing EC Sales list report

(from Use Case Model)

New EC Sales list/wizard
- + 6.2.VAT04 EC Sales list report criteria (by period or date range)
- + 6.2.VAT03 EC Sales List Report Content - includes services & goods
- + 6.2.VAT05 EC Sales list wizard criteria (Goods, services or both), period & date range
- + 6.2.VAT07 EC Sales list output to CSV
- + 6.2.VAT18 Transaction line completion date
- + 6.2.VAT17 Transaction line services flag
- + 6.2.VAT06 Thresholds
- + 6.2.VAT19 Toolkit support
- + 6.2.VAT29 Data Dictionary support
- + 6.2.VAT30 Covers VIES output wizard options
- + 6.2.VAT31 SQL Edition Support
- + 6.2.VAT32 DDF Support
- + 6.2.VAT33 E-Business Support
- + 6.2.VAT34 Bespoke Support

(from Requirements)

New EC Sales Wizard
- + Account/Clerk/Accountant
- + UC1.1 - Select period or Date Range
- + UC1.2 - Select Filters(Goods, Services, both)
- + UC1.3 - Confirm Output To option

(from Use Case Model)

New EC Sales Report
- + Accounts Clerk/Accountant
- + UC1.1 - Select period or Date Range
- + UC1.2 - Select Filters(Goods, Services, both)
- + UC1.3 - Confirm Output To option

(from Use Case Model)

«flow»

Completion date
- + User has enabled the service tick box
- + User sets the completion date

(from Use Case Model)

Service tick box
- + Actor1
- + Service tick box is set by user
- + User creates new transaction line
- + Validate conditions for enabling service tickbox

(from Use Case Model)

«flow»

Thresholds
- + 3.1 Select Threshold calculator
- + Compare quarterly totals against threshold
- + Confirm inclusion/exclusion of goods on report
- + Confirm Threshold amount
- + Scan for valid transactions
- + Summarise quarterly totals

(from Use Case Model)

«flow»

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Requirement Name and Number   **: Existing Sales List Wizard/6.2.VAT01**
Requirement Type   : Functional

Business **Analysis**

This covers Requirement 6.2.VAT01 from the MRD.

Use case

Overview

The existing EC Sales list wizard and Report will remain on the IRIS Exchequer menu
structures. However the menu labels will be altered as:
\Procedures\Export\VAT EDI\EC Sales List **becomes:**
 \Procedures\Export\VAT EDI\EC Sales List up to 31 Dec 2009
\Reports\Misc Reports\VAT reports\EC Sales List **becomes:**
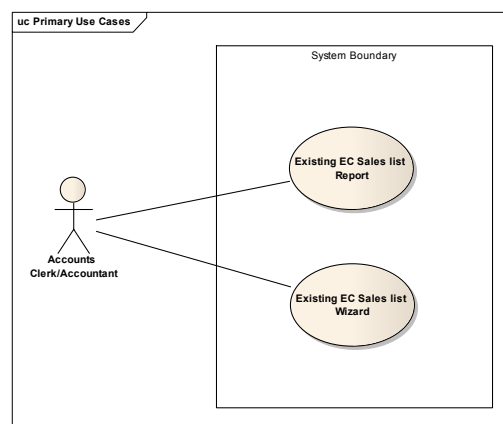\Reports\Misc Reports\VAT reports\EC Sales List up to 31 Dec 2009

Actors

Standard IRIS Exchequer user who has menu options enabled to run the export wizard for EC
Sales list

Scenarios

The user shall utilise this wizard up until they have finished submissions for Dec 2009, which
concludes their submissions prior to the change in EU/UK legislation.

Use Case Diagram

Licensing Considerations

Standard IRIS Exchequer

User interface changes

Changes as above label rewording

Open Issues

Assumption:
The view has been taken that the subsequent release to v6.2 will hide what will become the old EC
Sales list wizard and report from the Exchequer menus being renamed by this requirement.

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Detail Design

Task 6.2VAT01

For UK companies modify the existing EC Sales Report / Export menu options as specified above, for other countries it should be left as before.

Requirement Name and Number   **: EC Sales List Report Criteria / 6.2VAT04**
Requirement Type   : Functional

Business Analysis

This covers Requirement 6.2.VAT04 from the MRD.

Use case

Overview

The EC sales list report shall now include the option to be run on a calendar month, quarter or date range basis. The user will also be provided the option to choose one of the choices - Goods, Services or both.

Actors

Standard IRIS Exchequer user who has menu options enabled to run the export wizard for EC Sales list

Scenarios

The user shall select Calendar month instead of Date Range. (January – December) or calendar quarters
The user shall select Calendar Quarters instead of date range or calendar months
The user shall select Date range instead Calendar month or quarters
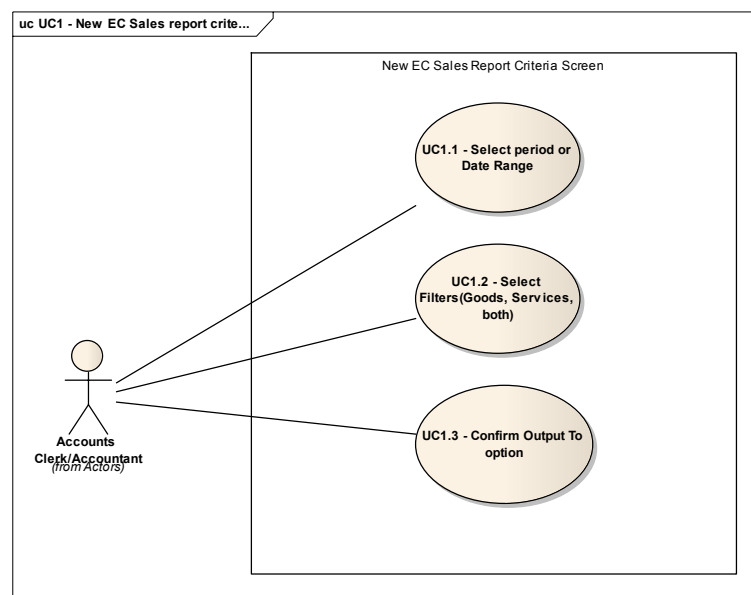Format for date range: (DD/MM/YYYY to DD/MM/YYYY)
Then, one of the following:
The user shall select Just "Goods"
The user shall select just "Services"
The user shall select "Goods & Services"

Use Case Diagram

IRIS Product	IRIS Exchequer
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Licensing Considerations

Standard IRIS Exchequer

User interface changes

```
┌─────────────────────────────────────────────────────────┐
│  ui EC Sales List Criteria Screen ╱                      │
│  ┌───────────────────────────────────────────────────┐   │
│  │ EC Sales list report criteria              ▬  ⊠   │   │
│  ├───────────────────────────────────────────────────┤   │
│  │                                                   │   │
│  │  Report Range:   [ Month      ▼]  or  From: [FromDate] │
│  │                  [ Quarter 1  ▼]       To:  [ToDate]   │
│  │                                                   │   │
│  │  Report Basis :  [ Goods        □]                │   │
│  │                                                   │   │
│  │                  [ Services      □]               │   │
│  │                                                   │   │
│  │                         [   OK   ]   [  Cancel  ] │   │
│  └───────────────────────────────────────────────────┘   │
└─────────────────────────────────────────────────────────┘
```

The mock-up from EA above highlights the differing scenarios that are to be supported via this report criteria screen.

Open Issues

Assumption:

o The standard Print setup/Output dialog of IRIS Exchequer will be re-used as per the old EC Sales list report.
o It is the responsibility of the user to retain PDF/outputs of the report.
o This new report will be located on the menus at \Reports\Misc Reports\VAT reports\ labelled "EC Sales List"

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Detail Design

Task 6.2VAT04

For UK companies a new menu option will be added as \Reports\Misc Reports\VAT reports\EC Sales List. *Note: Already done – dummy event handler coded in EParentU.Pas - TMainForm.NewECSalesListRepJan10OnwardsClick.*

The new menu option will display the new EC Sales List Report criteria dialog (as described above):-

The Reporting Period should default to Reporting by Calendar Quarter, with the Month fields defaulting to the current month, the Calendar Quarter fields defaulting to the current calendar quarter and the Date Range defaulting to the dates for the current calendar quarter. The 'Goods' and 'Services' options should both be defaulted OFF to force the user to set what they want.

To make it blindingly obvious to the user which reporting period is selected the options that are not selected will be disabled and their colours will be changes to grey (font-clBtnShadow, background – clBtnFace). Additionally to eliminate any possible confusion over the Report by Quarter option the actual months have been entered against each quarter so there can be no confusion over calendar years and financial years.

The OK button will validate the options before starting the thread object for the new EC Sales List Report (see 6.2VAT03). The following validation is required:-

The selected date options are valid:-

Monthly – a valid Month and Year have been specified

Quarterly – a valid Quarter and Year have been specified

Date Range – Start and End Date are valid and End >= Start

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At least one of the Goods and Services options is selected.

Note: The Services elements will only be available if the new EnableECServices flag is set.

Note: It is expected that this dialog can be shared with the EC Sales Export (see 6.2VAT05).

Requirement Name and Number   : EC Sales List Report Content / 6.2.VAT03
Requirement Type   : Functional

Business Analysis

This covers Requirement 6.2.VAT03 from the MRD.

 Use case

Overview

The EC sales list report will now include the filtered data from the criteria screen, which includes either all transactions for a calendar month, quarter or a date range, in conjunction with a specific combination of Goods, Services or both transaction line types.
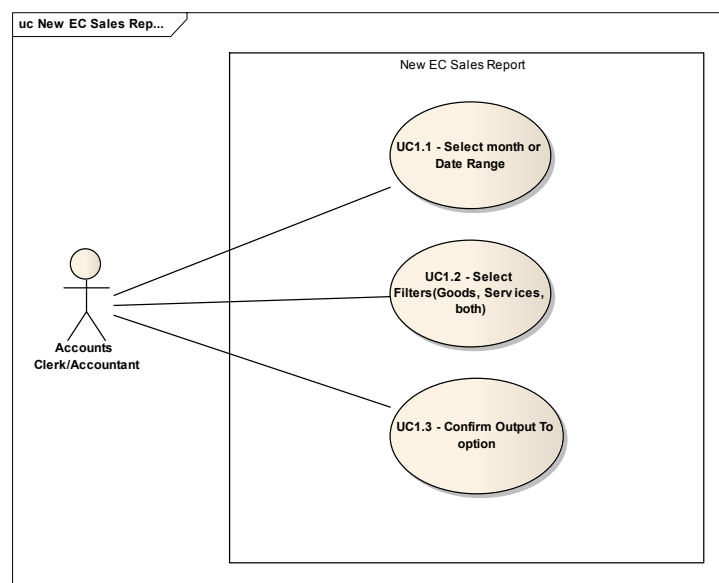
Actors

Standard IRIS Exchequer user who has menu options enabled to run the export wizard for EC Sales list

Scenarios

The user shall have selected the OK button, and then chosen the output option before the visible report is produced on the selected device.

Use Case Diagram

Licensing Considerations

Standard IRIS Exchequer

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User interface changes

The above extract is from the existing report. This will continue as the basis for the new report, with the following bullet point changes:

- Title will be changed to:
  Value Added Tax EC Sales List, for period <date range> OR <month/year> OR <Qtr/year>
- Indicator will be populated as value of either "Goods, Triangulated Goods or Services". This is instead of the values 'nothing', '2' or '3'
- If a Customer within a Country has transactions of type "Goods, Triangulated goods or Services" – they will be shown as separate lines (as per example above)
- Total value of supplies is in the currency of the VAT returns (as set via System\GL\Currency tab). The report will be sorted by CC, Customer VAT Reg. No. And Indicator type.

Open Issues

- Triangulated services are not reportable via the EC sales list (no indicator code present). This has been sent to HMRC as a question. Currently the view has been taken to include triangulated services as part of Triangulated goods.

To derive the contents of Indicator type per customer account, this will be the sum of transaction lines based on the criteria:

- Lines are derived from the transaction types: SRI, SIN, SCR, SJI , SJC, SRF, SBT
- SRN transaction lines are excluded from this report.
- The VAT code on the transaction line is "D" (representing EC despatches)
- The base net goods value on the transaction line is the amount summed per indicator type.
  - o The sum per Customer account for **Goods** is determined by VAT code "D", Services Tick Box = False, Transaction type = "Normal", line delivery date is within the report criteria date selection, presence of a stock code.
  - o The sum per Customer account for **Triangulated goods and/or services** is determined by the sales transactions having the Intrastat transaction type "Triangulated", transaction line VAT code "D"

Value of Service to be included in Report

- The base net services value (net line value) on the transaction line is identified differently for this report/wizard output due to the need to accommodate the continuation of services.
- Therefore the additional steps below are required when a transaction line is being evaluated for inclusion of the sum of services for a customer record.
- The following calculation would be applicable only when the following conditions are applicable:

  o The VAT code on the transaction is code "D"
  o Transaction type = "Normal"
  o Services tick box = "True"
  o Completion date is greater than the end of the current calendar year.

Calculating continuation of services amount

- If the start date is within the current calendar year, the value of the continuation of services to be included will be the pro-rated amount for the number of days between the start date and 31st December of the current year.
- If the start date is prior to the current year, the value of the continuation of services to be included will be the pro-rated amount for the number of days between 1st January and 31st December of the current year.

Scenario 1: Continuation service: Start this year, finishes next year
Delivery date   10th April 2009
Completion Date   10th April 2010
Net Value of services   £365.00
Report Run: 31st December 2009
Continuation value   Field set to £261.00

Scenario 2: Continuation service: Start last year, finishes next year
Delivery date   10th April 2008
Completion Date   10th April 2011
Net Value of services   £730.00
Report Run: 31st December 2009
Continuation value   Field set to £630

The 'continuation value' once calculated is stored on the transaction line in the field ServiceTaxReported, overwriting the existing value.

Once the above is completed, the sum for services can be applied on the basis:

  o The sum per Customer account for **Services** is determined by VAT code "D", Services Tick box = True, Transaction type = "Normal", Completion date within the report criteria date selection. The value to be summed it the net goods value (base currency) unless the ServiceTaxReported field is populated.
  o ~~If the ServiceTaxReported field is populated, this amount is used as part of the sum for the customer account WHEN LastServiceTaxDate has a previous year date.~~ MH 14/08/2009: This has been removed as it is a holdover from a previous design.

Assumptions:
- Transactions that are for either triangulated goods AND/OR services will be treated as separate transactions (as is the case now for a triangulated goods transaction). Any goods or services on the transaction will be grouped under the CSV bulk upload line indicator code "2" for triangulation. This

means that "Normal" supply of goods or services will be handled by the creation of a separate sales transaction.

- Transactions are only included for the above criteria when the 'EC Member' is True and the VAT No is populated on their corresponding customer records.
- Leap years will be taken into account for the above calculation.
- Hidden field (ServiceTaxReported) will be updatable if transaction is posted or un-posted.

Detail Design

Task 6.2TRANS.01

The following new fields will be added into the Transaction Line (IDetail – VarRec.Pas) in the place of existing spare fields:-

```
ECService : Boolean;
ServiceStartDate : LongDate;
ServiceEndDate : LongDate;
ECSalesTaxReported : Double;
PurchaseServiceTax : Double;  // For Reverse Change
```

The following index will be added on the Transaction Line table:-

```
Index 9 – IdECSales
CustCode (DupModSeg + ManK)
ECService (DupModSeg + ManK)
ServiceStartDate (DupMod + ManK)
```

New blank master files will be generated for the Pervasive Edition and added to the CD Image. As usual QA will be responsible for upgrading the Demo Data.

6.2VAT31.01

The Transaction Line schema for Details.Dat will be updated for the new fields and index added to the Transaction Line (see Task 6.2TRANS.01 above).

A conversion script to create and populate the new fields will be written and the SQL Configuration files modified to run it during upgrades.

Task 6.2CONV.01

GEUpgrde.Dll will be extended to create the new Transaction Line index defined above (Task 6.2.TRANS.01) for each company when upgrading. This will use the CREATE INDEX function to avoid a length rebuild of the data file.

Task 6.2CUST.01

The Transaction Line object in the Exchequer DLL and COM Customisation sub-systems will be extended to provide read-only access to the new Transaction Line fields defined in task 6.2TRANS.01 above.

Task 6.2VAT29.01

New fields will be added into the Form Designer Data Dictionary for the new Transaction Line fields defined above (task 6.2TRANS.01).

An updated master Dictnary.Dat will be added into the CD Image for the Pervasive Edition.

Task 6.2VAT03

The current system uses a TECVATReport.Scan_4ECSales() method in ReportAU.pas, which scans all the Transactions for a specified Account, and calculates the totals for each Transaction and Transaction Line which meets the criteria (date range, VAT Code, etc). It returns the total Goods and the total Triangulated values.

The Scan_4ECSales() method is used for both the EC Sales Export and the EC Sales Report. These use a simple loop to run through all the Customer accounts, and to call Scan_4ECSales() for each account which has the EC Member flag set.

This Scan_4ECSales() method will remain intact and unchanged, and will be called when the user selects one of the "...up to 31 December 2009" menu options for EC Sales Report and Export.

For the new version, a Calc_ECSales() method will be used instead of Scan_4ECSales(). It will return three values: Goods, Triangulated, and Services.

For Services, Calc_ECSales() will call a separate Calc_ServiceTotals() routine which filters to lines for the specified Account which have the Service flag set (using the new index), and calculates the totals from these lines.

Unlike the existing Scan_4ECSales() method, this should not need to check the DocType, as only valid Service lines will be included in the index.

However, Calc_ServiceTotals() will need to check the SSDProcess value from the Transaction Header, to determine whether the Service is triangulated or not. To avoid looking up the Transaction Header for every Transaction Line, an internal list of OurRef values and the matching SSDProcess values will be maintained. For each Transaction Line, this will be searched for a matching OurRef. If one is found, the SSDProcess value will be read from it, otherwise the Transaction Header will be located, and a new entry will be added to the list.

Calc_ServiceTotals() will return two values: Total Services and Total Triangulated Services.

For Goods, Calc_ECSales() will process the records in a similar way to the existing Scan_4ECSales() method, but will ignore Transaction Lines which have the Service flag set. It will add the Total Triangulated Services value from Calc_ServiceTotals() to any Triangulated Goods total.

Requirement Name and Number   **: EC Sales List Criteria Wizard (new) / 6.2.VAT05**
Requirement Type   : Functional

Business Analysis

This covers Requirement 6.2.VAT05 from the MRD.

Use case

Overview

The new EC sales list wizard will now include the option to be run on a calendar month, quarter or date range basis. The user will also be provided the option to choose one of the choices - Goods, Services or both.

Actors

Standard IRIS Exchequer user who has menu options enabled to run the export wizard for EC Sales list

Scenarios

The user shall select Calendar month instead of Date Range (January – December) or calendar quarter.
The user shal-l select Date range instead Calendar month or quarters
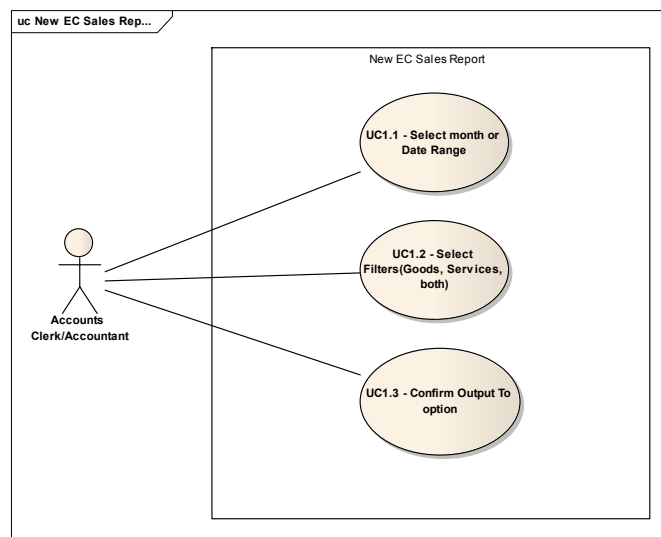*Date range format is: (DD/MM/YYYY to DD/MM/YYYY)*
Then, one of the following:
The user shall select Just "Goods"
The user shall select just "Services"
The user shall select "Goods & Services"

Use Case Diagram

Licensing Considerations

Provide any concerns or consideration that may impact licensing of the whole product or just this requirement.

User interface changes

The mock-up (same as EC sales list report criteria) from EA above highlights the differing scenarios that are to be supported via this report criteria screen.

Open Issues/Assumptions

Assumptions

- The user will be provided a dialog window that enables them to choose the filename and folder the CSV file. However the file extension will controlled and forced to .CSV
- The filename (excluding extension) can only be 8 characters.
- The new wizard will be located on the menus at \Procedures\Export labelled "EC Sales list"

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Detail Design

Task 6.2VAT05

For UK companies a new menu option will be added as \Procedures\Exports\EC Sales List. *Note: Already done – dummy event handler coded in EParentU.Pas - TMainForm. NewECSalesListJan10OnwardsClick.*

The new menu option will display the new EC Sales List Export criteria dialog as described although the Check Goods button will not be coded (see 6.2VAT06) at this time:-

The Reporting Period should default to Reporting by Calendar Quarter, with the Month fields defaulting to the current month, the Calendar Quarter fields defaulting to the current calendar quarter and the Date Range defaulting to the dates for the current calendar quarter. The 'Goods' and 'Services' options should both be defaulted OFF to force the user to set what they want.

The browse button ('…') for the export file will display a Save As dialog that will default to the main directory of the current company, it will only allow the file to be specified as a .CSV file and will truncate the filename (excluding extension) to 8 characters. *Note: This button should be coded using a TButton rather than a TSpeedButton in order to allow the user to tab to it and click it using the keyboard.*

To make it blindingly obvious to the user which reporting period is selected the options that are not selected will be disabled and their colours will be changes to grey (font-clBtnShadow, background – clBtnFace). Additionally to eliminate any possible confusion over the Report by Quarter option the actual months have been entered against each option so there can be no confusion over calendar years and financial years.

The OK button will validate the options before starting the thread object for the new EC Sales List Export (see 6.2VAT07). The following validation is required:-

The selected date options are valid

At least one of Goods and Services is selected.

Note: The Services elements will only be available if the new EnableECServices flag is set.

Note: It is expected that this dialog can be shared with the EC Sales Report (see 6.2VAT04).

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Requirement Name and Number : EC Sales CSV Structure & Content / 6.2.VAT07
Requirement Type : Functional

Business Analysis

This covers Requirement 6.2.VAT07 from the MRD.

Use case

Overview

The output from the new EC Sales list wizard is a CSV file, ready for a user to manually use the CSV bulk upload file.

Actors

Standard IRIS Exchequer user who has menu options enabled to run the export wizard for EC Sales list

Scenarios

o *The user shall decide a filename for the CSV output, on confirmation the file will be generated.*
o *The user shall abandon the wizard without the creation of the CSV output file.*

Licensing Considerations

Standard IRIS Exchequer

User interface changes

None

Open Issues/Approach

Determining Sum for each Customer account + indicator combination

To derive the contents of Indicator type per customer account, this will be the sum of transaction lines based on the criteria:

- Lines are derived from the transaction types: SRI, SIN, SCR, SJI , SJC, SRF, SBT
- SRN transaction lines are excluded from this report.
- The VAT code on the transaction line is "D" (representing EC despatches)
- The base net goods value on the transaction line is the amount summed per indicator type.
    - o The sum per Customer account for **Goods** is determined by VAT code "D", Services Tick Box = False, Transaction type = "Normal", line delivery date is within the report criteria date selection, presence of a stock code.
    - o The sum per Customer account for **Triangulated goods and/or services** is determined by the sales transactions having the Intrastat transaction type "Triangulated", transaction line VAT code "D"
    - o The sum per Customer account for **Services** are determined by VAT code "D", Services Tick box = True, Transaction type = "Normal", Completion date with the report criteria date selection.
    - o The continuation of services is calculated the same as per requirement v6.2.VAT.6.03

   Assumptions:
- Triangulated Goods transactions are separate transactions. If services are relevant (unlikely), they will have to be generated as a separate transaction in IRIS Exchequer.
- Transactions are only included for the above criteria when the 'EC Member' is True and the VAT No is populated on their corresponding customer records.
- Intrastat sales transaction types that have the type "Process" are excluded.
- Sales invoices generated from Sales applications are excluded from this release. No changes to the JSA application line or the resulting SIN will be undertaken as part of this release.

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HMRC CSV File Structure

The title record **must** contain: HMCE_VAT_ESL_BULK_SUBMISSION_FILE.
The header record **must** contain:
• Your UK VAT Registration Number (nine digit numeric value)
> **In Exchequer: \System Set-Up\Company\ VAT Reg**
• Your subsidiary identifier if you have one (if you do not have a subsidiary ID enter '000')
> **This doesn't exist in Exchequer, so set to '000'**
• The year for your declaration eg '2006'
• The period quarter of your declaration eg '1', '2', '3', or '4' (monthly submitters should input their data into the relevant quarter eg January, February and March should be input into quarter 1)
• The code 'GBP' (indicating that your declaration is made in pounds sterling)
• Your contact name (mandatory) maximum of 35 characters (do not include the ampersand '&' symbol, eg A & N Other Ltd should be changed to A and N Other Ltd)
> **In Exchequer there is no companywide contact, instead use Company name altered as stipulated**
• The indicator field (this will always be '0').
The schedule line record will include:
• Your customer's country code
> **In Exchequer, this is the first 2 characters of the Vat No on the Customer record.**
• Your customer's VAT Registration Number
> **In Exchequer, this is from character position 3 of the VAT No on the Customer record.**
• The total value of supplies (**Please note**: If you need to show a negative value of supplies, i.e. if the value of credit notes is greater than the supplies, prefix the figure with a minus sign '-')
• An indicator code (enter '0' for normal trade or '2' for triangulation, AND now '3' for Services).
> An example of a small CSV file is:
> HMCE_VAT_ESL_BULK_SUBMISSION_FILE
> 123456789,123,2005,4,GBP,Fred Bloggs,0
> DE,123456789,1000,0
> AT,U12345678,25000,0
> IE,1234567X,1250,0
> LU,12345678,3760,0

Further References available at:

http://customs.hmrc.gov.uk/channelsPortalWebApp/channelsPortalWebApp.portal?_nfpb=true&_pageLabel=pageExcise_ShowContent&id=HMCE_PROD_010685&propertyType=document#downloadopt

Detail Design
> **Task 6.2VAT07**
>
> The existing EDI system uses Generate_VATEDI_ESL() to export the EDI file. A new Generate_VATCSV() method will be added which generates a CSV file.
>
> This method will write out the header line (as defined above). It will then work through all the Customers in the CUSTSUPP table, calling Calc_ECSales() for each Customer with the EC Member flag set, to retrieve the totals for this Customer.
>
> For each of Goods, Triangulated, and Service totals, if the total is not zero, a line will be written out to the CSV file, with the Customer and Total details on it.

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Requirement Name and Number : Thresholds / 6.2.VAT06
Requirement Type : Functional

Business Analysis

This covers Requirement 6.2.VAT06 from the MRD.

Use case

Overview

Guidance from HMRC states:

From 1st January 2010, the reporting period for goods will be a calendar month for supplies over a specified threshold. Where a business makes supplies of goods below the specified threshold, they may use a reporting period of a calendar quarter. Quarterly ESL's for goods will be allowed until 31 Dec 2011 when goods are below the threshold which is initially set at £70,000. The threshold will reduce further to £35,000 on 1st January 2012.

Services are to be included on the ESL, but on a quarterly or monthly basis. NO threshold is applicable to Services.

As a consequence of the above, guidance needs to be provided to the end-user to ensure they include Goods and/or Services on the report. The aim is to provide a button that functions as a calculator that confirms whether Goods should be included or excluded on a monthly or quarterly basis.

Failure to not inform the user could see a penalty being presented to a user by HMRC for incorrect submission of data.

Actors

Standard IRIS Exchequer user who has menu options enabled to run the export wizard for EC Sales list

Scenarios

o The user shall investigate if Goods should be included on a monthly or quarterly basis by investigating the current quarter sales against the threshold – but also the previous 4 quarters. Should sales of goods exceed the threshold in any of the quarters checked determines inclusion of goods in the monthly (rather than quarterly submission). This will be achieved by the inclusion of a Check Goods button on the EC Sales list wizard

o The user shall choose to not check the Goods value against threshold and run the report regardless.

IRIS Product	IRIS Exchequer
Proposed Version	v6.2 Winter 2009 Release

Use Case Diagram
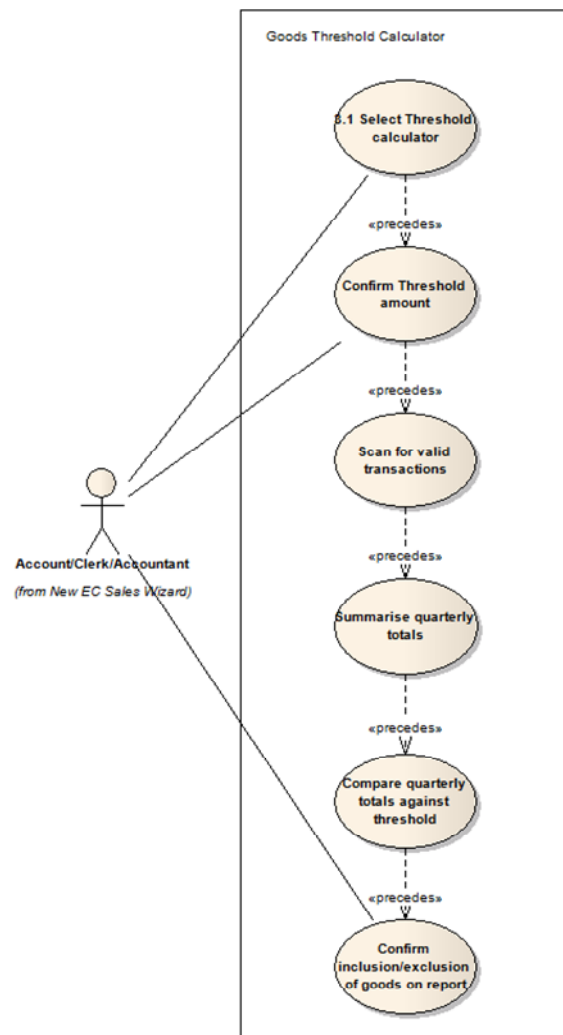
Licensing Considerations

Standard IRIS Exchequer

User interface changes

- Introduction of a button "Check Goods" on EC Sales list wizard criteria dialog.
- User confirms value of threshold
- Confirmation is displayed to user that Goods should be included or excluded from the EC Sales list.
- The confirmation display will include a disclaimer that the information is provided for guidance only.

```
ui threshold screen
┌─────────────────────────────────────────────────────┐
│ Goods Threshold Confirmation                 ▬  ▨    │
│                                                       │
│        Current Threshold:    £70,000                  │
│  Current Calendar                                     │
│  Quarter         Q3, 2009    £80,000.00      Tick     │
│                                                       │
│                  Q2, 2009    £36,000.00      [  ]     │
│                                                       │
│                  Q1, 2009    £90,000.00      Tick     │
│                                                       │
│                  Q4, 2008    £80,000.00      Tick     │
│                                                       │
│                  Q3, 2008    £25,000.00      [  ]     │
│                                                       │
│       This information is provided for guidance only    [  OK  ] │
└─────────────────────────────────────────────────────┘
```

Open Issues/Assumptions

Introduction of an EC sales list Goods threshold value in the Company system setup table is feasible.

- The following sequence of events is required to confirm quarterly totals
  - The "Check Goods" button is enabled when
    - Goods has been checked, and services is unchecked
    - Either a Calendar Month or Quarter has been selected.
  - Valid transactions (Intrastat transaction type = "Normal" AND "Triangulated") are determined by Sales transaction lines that have :
    - VAT code "D"
    - Services tick box = False
    - Transaction type = "Normal OR Traingulated"
    - Line Delivery Date
    - Presence of stock code
  - Identify the current calendar quarter from either the calendar month or quarter selected via the EC Sales list wizard criteria
  - Identify date range to include previous 4 calendar quarters.
  - Sum transactions lines (net total in base currency) by above 5 working quarters
  - Compare threshold amount against each of the above quarter sub-total. If any of the quarterly subtotals exceed (or equal) the threshold then confirm inclusion to user.
  - If none of the quarterly subtotals exceed the threshold then confirm exclusion to user.
  - It has been confirmed by HMRC that the supply of triangulated goods is part of the threshold for UK reporting of supplied goods.
  - Confirmation of the Current threshold from the Company system setup table will be displayed on-screen

IRIS Product	IRIS Exchequer
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Detail Design

Task 6.2VAT06.01

The System Setup VAT Record (VATRec – VarRec.Pas) will be extended with a new field:-

      EnableECServices : Boolean;
      ECSalesThreshold : Double; // EC Sales Threshold in VAT Currency

Task 6.2VAT06.02

The System/GL/Currency tab of the System Setup dialog will be extended to make the new Enable EC Services and EC Sales Threshold fields available for editing in UK Companies only (not visible for other countries):-

Task 6.2VAT06.03

The new EC Sales Export criteria dialog (see 6.2VAT05) will be extended with a Check Goods button (criteria defined above) which makes the Check Goods dialog available (see above).

The Check Goods dialog will check the current calendar quarter first, followed by the preceding quarters until all 5 quarters have been checked, if the goods value for a quarter does exceed the threshold then the process will stop and indicate that a monthly EC Sales submission is required by the HMRC.

On closure the dialog will return to the EC Sales Export criteria dialog.

It is e that the Check Goods dialog can re-use the core engine used by the EC Sales Report (6.2VAT03) and EC Sales Export (6.2VAT07) to generate a total for each quarter.

Task 6.2VAT31.02

The System Setup schema for ExchqSS.Dat will be updated for the new field (see Task 6.2VAT06.01 above).

A conversion script to create and populate the new field (Value = 0) will be written and the SQL Configuration files modified to run it during upgrades.

Task 6.2CONV.02

GEUpgrde.Dll will be extended to initialise the new EnableECServices and ECSalesThreshold fields using the Country Code in each companies System Setup table as follows:-

Country Code	EnableECServices	ECSalesThreshold
UK installations	False	70,000
EIRE Installations	False	100,000
Otherwise	False	0

Requirement Name and Number **: Service line tick box / 6.2.VAT17**
Requirement Type : Functional

Business Analysis

This covers Requirement 6.2.VAT17 from the MRD.

Use case

Overview

Due to the nature of IRIS Exchequer's flexibility, a new "Service" tick box needs to be introduced onto the line of sales transactions.
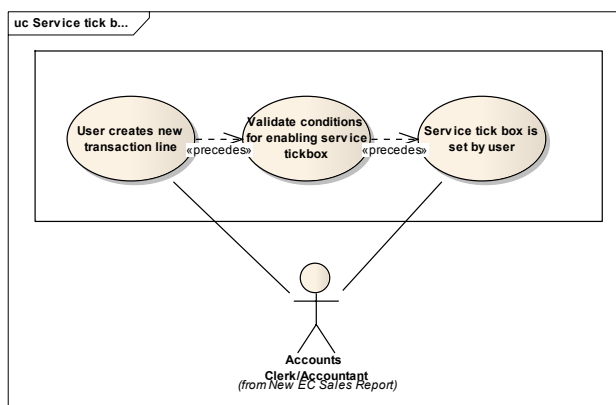
Actors

Standard IRIS Exchequer user who has menu options enabled to edit transaction lines in IRIS Exchequer.

Scenarios

The user shall tick "Service" on the transaction line if the content of the line is for services to other EC member states.

Use Case Diagram

Licensing Considerations

Standard IRIS Exchequer

User interface changes

- The standard IRIS Exchequer sales transaction line will be extended downwards by one row to allow the insertion of the service tick box. It is assumed that the service tick box will be visible underneath the stock description lines.
- The Sales batch transaction line will be extended to include a "Service" tick box.

IRIS Product	IRIS Exchequer
Proposed Version	v6.2 Winter 2009 Release

Open Issues/Assumptions

Assumptions

- The service tick box can be enabled for use under the following conditions:
    - The transaction type is "normal"
    - If a stock code is present, it has a type "Description only"
    - No stock code is present
    - The VAT code is type "D"
- The service tick box will be defaulted "ON" when a transaction line on a sales invoice is created but has no stock code for customer records that have "EC member" enabled.
- The tick box will be present for lines on standard transaction types: SRI, SIN, SCR, SJI , SJC, SRF, SQU, SOR, SDN
- The tick box will be present for sales batch transaction lines. The tick box is enabled when the vat code is "D".
- IRIS Exchequer COM Customisation will be expanded to include the new service tick box.
- Sales invoices generated from Sales applications are excluded from this release. No changes to the JSA application line or the resulting SIN will be undertaken as part of this release.

Detail Design

Task 6.2TRANS.02

The Transaction Line dialog will be extended to include the new EC Services checkbox, the appropriate underlying routines will be modified to load and save the flag.

The field will need to be shown/hidden depending on the new EnableECServices flag in System Setup. If the flag is disabled the form should be dynamically reset to hide the new fields effectively showing the user the same dialog as they would have seen in v6.01.

NOTE: This task is intended to put the field in place without any associated business logic in order to allow other tasks that rely on this flag to proceed.

Task 6.2TRANS04

Implement the business logic described above and in 6.2.VAT18 and 6.2VAT37 for the EC Services checkbox and Start/Completion dates on Sales and Purchase Transactions respectively.

NOTE: For Sales Transactions where EC Services is ticked the Start and Completion dates are mandatory and must be set to valid dates with the Completion Date being on or after the Start Date. For Purchase Transactions the dates are optional and are only validated if set by the user, if both dates are set then the Completion Date must be on or after the Start Date.

IRIS Product	IRIS Exchequer
Proposed Version	v6.2 Winter 2009 Release

Requirement Name and Number   : Transaction line start &completion date/ 6.2.VAT18
Requirement Type   : Functional

Business Analysis

This covers Requirement 6.2.VAT18 from the MRD.

Use case

Overview

Due to the nature of IRIS Exchequer's flexibility, new Service start and completion dates need to be introduced onto the line of sales transactions.
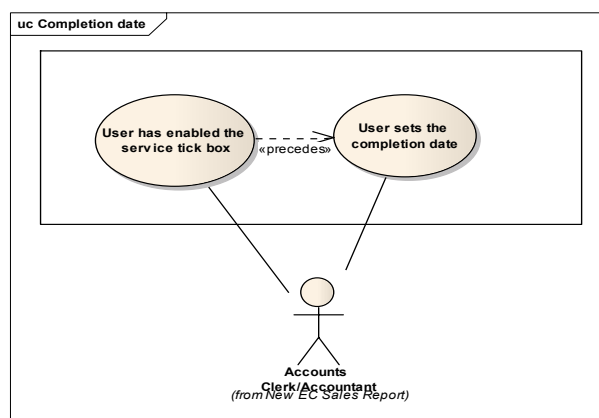
Actors

Standard IRIS Exchequer user who has menu options enabled to edit transaction lines in IRIS Exchequer.

Scenarios

The user shall populate the service start and completion dates on the transaction line if the content of the line is for services to other EC member states.

Use Case Diagram

Licensing Considerations

Standard IRIS Exchequer

User interface changes

- It is assumed that the service start and completion dates will be visible alongside the existing transaction delivery date.
- The Sales batch transaction line will be extended to include a service start and completion dates.

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Open Issues/Assumptions

Assumptions

- The service start and completion dates are be enabled for use under the following conditions:
    - o The service tick box has been enabled.
- The service start and completion dates will be present for lines on standard transaction types: SRI, SIN, SCR, SJI , SJC, SRF, SQU, SOR, SDN
- SRN transaction lines are excluded from this report.
- The service start and completion dates will be present for sales batch transaction lines.
- The service start and completion dates will default to the date of the transaction.
- IRIS Exchequer COM Customisation will be expanded to include the new service start and completion date.
- A new index for completion date is introduced. This new index is applied to all variants of Exchequer (including MS.SQL).
- Sales invoices generated from Sales applications are excluded from this release. No changes to the JSA application line or the resulting SIN will be undertaken as part of this release.

Detail Design

Task 6.2TRANS03

The Transaction Line dialog will be extended to include the new Start and Completion dates, the appropriate underlying routines will be modified to load and save the flag.

The fields will need to be shown/hidden depending on the Transaction Type (see above) and the new EnableECServices flag in System Setup. If the fields are hidden the form should be dynamically reset to hide the new fields effectively showing the user the same dialog as they would have seen in v6.01.

The Start and Completion Date fields will be enabled/disabled by the EC Service checkbox, when enabled for the first time the fields will be defaulted to the Transaction Date.

IRIS Product	IRIS Exchequer
Proposed Version	v6.2 Winter 2009 Release

NOTE: This task is intended to put the fields in place without any associated business logic in order to allow other tasks that rely on these fields to proceed.

IRIS Product	IRIS Exchequer
Proposed Version	v6.2 Winter 2009 Release

Requirement Name and Number   **: Various Supporting changes**
Requirement Type   : Functional

Business Analysis

This covers the following list from the MRD
6.2.VAT32
6.2.VAT31
6.2.VAT19
6.2.VAT29

Use case

Overview

Peripheral modules and features of IRIS Exchequer need to be extended to support the new fields being introduced (service tick box, start date, completion date, ServicetaxReported,LastServiceTaxDate, SystemThreshold)

Actors

As per MRD

Scenarios

The user shall be utilising the DDF's to generate custom reports via an external report writer
The user shall be utilising the new fields via the form designer.
The user shall be utilising the toolkits to interact with IRIS Exchequer
The user shall be utilising the VRW to create custom reports within IRIS Exchequer
Extension of the MS.SQL schemas is required to keep both Pervasive and MS.SQL editions in alignment

Licensing Considerations

Standard IRIS Exchequer

User interface changes

Both new fields will be visible to users via the DDF's, toolkit object model, data dictionary for VRW.

Open Issues

- o Support via the toolkits will be both read/write access.
- ○ The Importer will need to be checked to ensure that it will recognise any validation/error messages from the toolkits.

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Detail Design

Task 6.2VAT19.01

Toolkit DLL support for new Transaction Line fields with Sales/Purchase business rules.

Task 6.2VAT19.02

COM Toolkit support for new Transaction Line fields with Sales/Purchase business rules.

COM Toolkit support for new EC Sales Threshold (read-only).

Task 6.2VAT19.03

Importer support for new Transaction Line fields with Sales/Purchase business rules.

Task 6.2VAT29.01

Add new data dictionary fields for the new Transaction Line and EC Sales Threshold fields into the Form Designer.

Update the CD Image with the new Dictnary.Dat.

Task 6.2VAT29.02

Rebuild the Visual Report Writer to pickup the new data dictionary fields from 6.2VAT29.01 and 6.2VAT29.02.

Task 6.2VAT29.03

Rebuild Sentimail to pickup the new data dictionary fields from 6.2VAT29.01 and 6.2VAT29.02.

Task 6.2VAT31.03

Update SQL Master Data .ZIP files for new TL / SysVAT / Dictnary changes.

Task 6.2VAT32

The ODBC DDF's will be extended to support the new Transaction Line fields (see 6.2.VAT03 above), the DDF's do not cover System Setup so it is not necessary to add the EC Sales Threshold.

Task 6.2VAT34

Although no problems are expected the standard generic plug-ins should checked by Ian Ross (QA) for any transactions falling under the remit of this release, time has been allocated in October for testing.

IRIS Product	IRIS Exchequer
Proposed Version	v6.2 Winter 2009 Release

Requirement Name and Number   : VEIS Support & IRISH Vat Return / 6.2.VAT30
Requirement Type   : Functional

Business Analysis

 The timelines of information for both changes to the Irish VAT Return and VIES communicated by the Irish Revenue means that the support for Ireland will have to be patched as a subsequent release.

This has been communicated to Ian Connor, and reflected on the IRIS Exchequer roadmap as a separate release

Requirement Name and Number   **: Purchase Transaction line service fields / 6.2VAT37**
Requirement Type   : Functional

Business Analysis

This covers Requirement 6.2.VAT37 from the MRD.

Use case

Overview

Services on a Purchase transaction line need to be identifiable along with a performance start and completion dates for services purchased from other European countries.

Actors

Standard IRIS Exchequer user who has menu options enabled to edit transaction lines in IRIS Exchequer.

Scenarios

The user shall populate the service indicator when a purchase invoice from a EU member supplier is received that includes services of the correct type.

The user shall populate the completion date once the service indicator has been set.

Licensing Considerations

Standard IRIS Exchequer

User interface changes

- The standard IRIS Exchequer Purchase transaction line will be extended downwards by one row to allow the insertion of the service tick box, start and completion dates. It is assumed that the service tick box will be visible underneath the stock description lines, and the start and completion dates will be alongside the existing line delivery date.
- The Purchase batch transactions will NOT be included as part of this process. This is due to the limitations of the daybook post routines
-

Open Issues/Assumptions

Assumptions

- The service tick box can be enabled for use under the following conditions:
    - The transaction type is "normal"
    - If a stock code is present, it has a type "Description only"
    - No stock code is present
    - The VAT code is NOT type "A" or "D"
- The service tick box will be defaulted "ON" when a transaction line on a purchase transaction is created but has no stock code for supplier records that have "EC member" enabled.
- The tick box will be present for lines on standard transaction types: PPI, PIN, PCR, PJI , PJC, PRF, PQU, POR, PDN
- PRN transaction lines are excluded from this report.
- The tick box, start and completion dates will NOT be present for purchase batch transaction lines.
- IRIS Exchequer COM Customisation will be expanded to include these new fields.
- Purchase invoices generated from Purchase applications are excluded from this release. No changes to the PSA application line or the resulting PIN will be undertaken as part of this release.
- Although not required, a start will be included on the transaction line. It will respect the same rules of use as the completion date.

- On storing the transaction, ThManual Flag will automatically be set "ON". As a consequence the following manual override of VAT will be applied.
    - The thManual Flag status will need to be carried through to all subsequent transactions (i.e. POR>>PDN>>PIN)
    - Transactions that progress through their own life cycle (i.e. POR>>>PDN>>>PIN) will retain the service and completion date settings.

    - For transaction lines that had the service tick box enabled, the amount of VAT will be reset to zero as an override.

For Example, the following transaction

With a Footer of:

When the above rule is applied, the transaction footer is reset as follows:

- Nominal Journals have been excluded from this process.

Detail Design

Note 18/08/2009: After discussions between MH/TR/DR/MR regarding Cash Accounting support it was decided that the fields will be left on the Transaction Line for reporting purposes, but that all the rest of the functionality will be for Invoice Accounting only e.g. zeroing down the line VAT, setting the transaction to manual VAT, posting to the VAT control accounts when posting the invoice and the modifications to the VAT Return. QA will document the manual processes record for Cash Accounting users prior to the release of v6.2.

Cash Accounting can be checked for with the following code:-

> *If VAT_CashAcc(SyssVAT.VATRates.VATScheme) then // Vat_CashAcc in ComnUnit*

This requirement will re-use the EC Service checkbox and Start/Completion Dates added for 6.2VAT17 and 6.2VAT18.

Task 6.2TRANS.05

For UK companies running Invoice Accounting implement the Transaction Line and Transaction Header VAT changes for services as described above. On the Transaction Line the VAT Amount should be copied into the new PurchaseServiceTax field prior to zeroing down the VAT for reference by the Purchase Posting and VAT Return routines.

For UK Companies running Cash Accounting the EC Service, Start Date and Completion Date fields will be available for long term reporting purposes.

For non-UK Companies the EC Service, Start Date and Completion Date fields will not be shown.

Requirement Name and Number   **: Purchase Daybook VAT line movements / 6.2VAT38**
Requirement Type   : Functional

Business Analysis

This covers Requirement 6.2.VAT38 from the MRD.

Use case

Overview

Service lines on purchase transactions need to be posted to both the Input and Output VAT Control accounts. Normally the supplier of a service is the person who must account, to the tax authorities, for any VAT due on that supply. From 1st Jan, it is the customer who must account for VAT due on intra-EC taxable supplies. The customer must act as both the supplier and recipient of the services.
This principle will be applied to systems that are configured for the "Invoice" (also known as Normal) Tax scheme, and excludes systems configured for cash accounting.

Actors

Standard IRIS Exchequer user who has menu options enabled to edit transaction lines in IRIS Exchequer.

Scenarios

The user shall run the daybook post routine and include the transaction within the daybook criteria. Daybook post handles the movements into the GL and sets a number of parameters on the transaction.

Licensing/setup Considerations

Standard IRIS Exchequer

Standard IRIS Exchequer setup for the "Normal" Tax scheme only. – i.e. Excludes Cash accounting.

User interface changes

None required for this requirement

Open Issues/Assumptions

Assumptions

- The existing daybook routines are to be extended to include additional VAT control code movements for Purchase transactions that have lines with the service indicator enabled.
- Although we are including a completion date on the transaction line, the daybook routines are based on the transaction date. The transaction date <u>will continue</u> to be the basis for including the transaction in the daybook process.
- All standard inclusion criteria for posting a transaction will remain the same as standard Exchequer.
- In the instance of a Purchase transaction that has services enabled on transaction lines, an additional movement will be included based on the steps identified in the Daybook posting analysis doc.
- TEntPost.Post_It (PostingU.pas)

  Transactions that have the service indicator set will include as part of the Post control code lines (page 24) additional lines. These are indicated in bold below.

  Post Control code lines:

  - VAT in Base currency (assumed Input VAT Control code as Purchase daybook)
  - VAT in VAT currency (assumed Input VAT control code as Purchase daybook)
  - **VAT in Base Currency – Input VAT Control code (£-17.50)**
  - **VAT in VAT currency – Input VAT control Code. (£-17.50)**
  - **VAT in Base Currency – Output VAT Control code (£17.50)**
  - **VAT in VAT currency – Output VAT control Code. (£17.50)**
  - Invoice total in Base Currency
  - Settlement Discount
  - Line Discount
  - Rounding

  The value of VAT posted to both the Output and Input VAT control codes is the same. The objective is that for service lines they cancel out one another – i.e. they mirror each other.

-
- For continuous supplies that span calendar years, these continuous supplies will be split across multiple transactions. Each transaction will be for specific calendar periods. No change to Exchequer will be undertaken as part of this release, however the help should include guidance for users and how to treat continuous supplies.
- The routine for setting the VAT date against the transaction remains unchanged.
- The above extensions are only applicable to the posting of the Purchase daybook.
- Currently the description against a transaction posted to the Input control account states "PIN ref – Posting Run Control". Should be altered to "PIN ref – RC Posting Run Control".
  - E.g. PIN000886 – RC Posting Run Control
- This movement is only applicable to UK editions of IRIS Exchequer.
- In the instance of the additional VAT posting control lines. The VAT amount will need to be manufactured. This will be calculated by the total of the transactions line that have the service flag enabled for the same VAT code. The VAT percentage will be looked up from the VAT Setup, referenced by the VAT code.
  Net Line Value   £100.00

Vat code   S

Service Flag: ON

VAT Amount: Has been reset to zero. £0.00

Manufactured VAT Amount   £17.50

Example:

Transactions VAT Summary (On footer)

Manual VAT   ON

Vat Code A   £-

VAT Code S   £-

Source Purchase Transaction Summary

Services   £100.00 Net

Vat (S)   £-   VAT

Gross   £100.00 Gross

	+	-
Standard Posting movements	Debit	Credit
Creditors Control Account		£100.00
GL Account (GL on line)	£100.00	
Additional Movements		
VAT Input Control Account	£ 17.50	
VAT Output Control Account		£ 17.50

Detail Design

Task 6.2VAT38

For UK Companies running Invoice Accounting only.

As part of the main Post_It() routine in PostingU.pas, when the normal VAT movements have been posted to the Run Control, the VAT input and output for services will similarly be posted, using the same Post_To_RunCtrl() and CalcSum() methods, but passing the value of the PurchaseServiceValue field instead of the InvVat field.

Requirement Name and Number : Purchase Daybook posting report/6.2VAT39
Requirement Type   : Non-Functional

Business Analysis

This covers Requirement 6.2.VAT39 from the MRD.

Use case

Overview

Posting report needs to reflect the dual posting of VAT movements to both Input and Output control accounts. This will be a result of the v6.2VAT38 requirement.

Actors

Standard IRIS Exchequer user who has menu options enabled to edit transaction lines in IRIS Exchequer.

Scenarios

The user shall have already instigated the Purchase daybook routine and as a consequence the Purchase daybook report will be triggered at the end of the routines

Licensing Considerations

Standard IRIS Exchequer

User interface changes

As a consequence of the Daybook movements, the posting report description lines will automatically be including the "RC" indicator alongside transaction lines.

Example: "PIN000893 – RC Posting Run Control"

Electrics R Us
Posting Report - Run 226

Our Ref	Date	Acc No	Period	Description	B/Fwrd	Debit	Credit
31010, Creditors Control Account							
			07/2009	PIN000893 - Posting Run Control	830,441.63-		83.43
							83.43
33020, VAT Input Control Account							
			07/2009	PIN000893 - Posting Run Control	478,249.45	12.43	
						12.43	
77020, Accountancy Fees							
PIN000893	31/07/2009	TAXSHI	07/2009	Services line (pretend)	14,787.00-	71.00	
						71.00	
						83.43	83.43
					07/2009-2010	83.43	83.43

Total Records : 3

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Open Issues/Assumptions

Assumptions

- The posting report produced at the end of the daybook process is the same as the report located from \Reports\Daybook Reports\Purchase Daybook

Detail Design

No changes are required.

IRIS Product	IRIS Exchequer
Proposed Version	v6.2 Winter 2009 Release

Requirement Name and Number **: VAT Summaries / 6.2.VAT40**
Requirement Type : Functional

Business Analysis

This covers Requirement 6.2.VAT40 from the MRD.

Use case

Overview

The VAT return initially summaries individual transaction lines by Input / Output and VAT code. Tax shift transactions lines need to be visible in this 1st (of 3) section of the return

Actors

Standard IRIS Exchequer user who has menu options enabled to run the VAT return.

Scenarios

The user shall run the VAT return by confirming the VAT period (optionally choosing to close the period)

Licensing Considerations

Standard IRIS Exchequer

User interface changes

- Transactions that have had reverse charge applied will include the "RC" indicator.
- Purchase transactions that have the service indicator enabled AND have been included in the VAT return will be duplicated against both Inputs and Outputs. For instance, in the screenshot below, the transaction line below for PIN00001 shown against Inputs, Standard 17.50% Goods would be ALSO shown against Outputs Standard 17.50% Goods.
- However, due to Purchase transactions having the manual VAT override flag enabled an additional Inputs sub-group will be generated for RC. This manufactured/additional sub-group will list all transactions lines that have the service flag enabled. The subgroup title will include the phrase "Input/output Reverse charge movements"

Value Added Tax Return for 8/2009

* Our Ref Your Ref	Date	Per Yr	Ac No.	A/D	Net	VAT	Gross Adj
Inputs							
Standard. 17.50%, Goods							
PIN000001	31/07/2009	30/2008	1ST020		140.85-	24.65-	165.50- No
Standard. 17.50%, Goods							
Total In-period trans .:					140.85-	24.65-	165.50-
*Out of period trans ..:					0.00	0.00	0.00
Inputs							
Total In-period trans .:					140.85-	24.65-	165.50-
*Out of period trans ..:					0.00	0.00	0.00
Outputs							
Standard. 17.50%, Goods							
SIN000001	31/07/2009	30/2008	CASH01		140.85	24.65	165.50 No
Standard. 17.50%, Goods							
Total In-period trans .:					140.85	24.65	165.50

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Detail Design

Task 6.2VAT40

For UK companies running Invoice Accounting only, any other combination should be unchanged.

Section 1 of the VAT Return is printed by the TVATRReport2 thread object in ReportKU.Pas, the Process method calls Build_VATReturn to create and populate a temporary file which is then printed as a normal report.

The following changes will be necessary when running with ReportMode = 0 (VAT Return):-

Build_VATReturn

This routine will be modified to create the additional "Input/output Reverse charge movements" entries for Input transactions with Services elements. Entries in the temporary file are classified by prefixes - 'P' for Input, 'S' for Outputs and 'V' will be added for Reverse Charge so that it is shown at the end of the report.

This routine uses LDef_InvCalc to analyse the VAT usage on the transaction's lines, this routine will be modified to take an optional TServicesHelper class parameter which will be used to maintain and store VAT relating to services. The values in this class will then be used to create the additional reverse charge entries.

For Input entries that have had a Reverse Charge entry generated against them the temporary file searchkey will be suffixed with an 'R', otherwise it will be suffixed with an 'N' – this will not affect the order the transactions are shown in.

PrintReportLine

For Input entries that have had a Reverse Charge entry generated against them, indicated by an 'R' suffix in the searchkey of the temporary file record, will display an 'RC' flag in a new column to the right of 'A/D'.

CalcVATTotals

The totalling and breaking mechanism will have to be modified to support the new Reverse Charge section on the report.

LDef_InvCalc (MiscU.Pas)

This routine will be extended to take an optional TServicesHelper class parameter, if the parameter is not passed then it will default to NIL indicating no additional actions should be taken:-

```
Procedure LDef_InvCalc(     ExLocal: TdMTExLocalPtr;
                      Const ServicesHelper : TServicesHelper = NIL)
```

As each transaction line is processed it will be passed into the ServicesHelper object to be added into arrays of Services and VAT totals by VAT Code, which can then be used by Build_VATReturn to create the Reverse Charge Entries and set the RC Flag markers.

TServicesHelper Class

This new class will be used from the VAT Return routines to keep track of the service elements split by VAT code.

IRIS Product	IRIS Exchequer
Proposed Version	v6.2 Winter 2009 Release

Requirement Name and Number   : VAT Return Reconciliation lines / 6.2.VAT41
Requirement Type   : Functional

Business Analysis

This covers Requirement 6.2.VAT41 from the MRD.

Use case

Overview

VAT Return 2nd subsection is a reconciliation of goods and VAT content summarized by VAT Rate. For RC items, the summary for VAT code needs to reflect the RC movement.

Actors

Standard IRIS Exchequer user who has menu options enabled to run the VAT return.

Scenarios

The user shall run the VAT return by confirming the VAT period (optionally choosing to close the period)

Licensing Considerations

Standard IRIS Exchequer

User interface changes

VAT Rate		<--Input VAT Goods	(Purchases)--> VAT	<----Output VAT Goods	(Sales)----> VAT
Standard	Y	140.85-	24.65-	140.85	24.65
Exempt	N				
Zero Rate	Y				
Rate 1	Y				
Rate 2	Y				
EC Aquistn	Y				
EC Dispatc	Y				
5% VAT	Y				
Rate 6	Y				
Rate 7	Y				
Rate 8	Y				
Rate 9	Y				
Rate T	Y				
Rate X	Y				
Rate B	Y				
CIS	N				
Rate F	Y				
Rate G	Y				
Rate R	Y				
Rate W	Y				
Op Bal	N				
Totals ...:		140.85-	24.65-	140.85	24.65

Open Issues/Assumptions

Assumptions

- I'm assuming this is just a cached piece of data for the report. If the above example was for just a Purchase Invoice of Gross £115.00 It would reflect

VAT Rate	Input VAT Goods	Purchases VAT	Output Goods	Sales VAT
Standard	£ 100.00	£ 15.00	£ -	£ 15.00

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Detail Design

If our understanding of how this works is correct then no work is required, investigation of the code indicates that the figures shown on section 2 of the VAT Return are retrieved from the History table, therefore if the Purchase Posting modifications (6.2.VAT38) are done correctly then the services figures should appear here automatically once that work has been completed.

As a precaution time should be put into the project plan to allow this to be tested once the Purchase Posting (6.2.VAT38) work has been done.

Requirement Name and Number   **: VAT return Summary / 6.2VAT42**
Requirement Type   : Functional

Business Analysis

This covers Requirement 6.2.VAT42 from the MRD.

Use case

Overview

To account for reverse charge services, we should credit the VAT account with an amount of output tax, calculated on the full value of intra-EC taxable supplies of services received from other member states and at the same time debit your VAT account with input tax to which you are entitled, in accordance with the normal rules

Actors

Standard IRIS Exchequer user who has menu options enabled to run the VAT return.

Scenarios

The user shall run the VAT return by confirming the VAT period (optionally choosing to close the period)

Licensing Considerations

Standard IRIS Exchequer

User interface changes

- The text "Including acquisitions from the EC" should be changed to "Including acquisitions/services from the EC)

Input VAT Due .:	24.65-	Output VAT Due .:	24.65
Over Declared .:	0.00	Under Declared .:	0.00
Total Input VAT:	24.65-	Total Output VAT:	24.65

VAT due in this period on Sales and other outputs	[1]	24.65
VAT due in this period on Acquisitions from other EC Member States	[2]	0.00
Total VAT due (the sum of boxes 1 and 2)	[3]	24.65
VAT reclaimed in this period on Purchases and other inputs (including acquisitions from the EC)	[4]	24.65-
NET VAT to be paid to Customs or reclaimed by you (Difference between boxes 3 and 4)	[5]	0.00
Total value of Sales and all other outputs excluding any VAT. Including box 8 figure	[6]	140.85
Total value of Purchases and all other inputs excluding any VAT. Including box 9 figure	[7]	140.85-
Total value of all supplies of goods and related services, excluding any VAT, to other EC Member States	[8]	0.00
Total value of all acquisitions of goods and related services, excluding any VAT, from other EC Member States	[9]	0.00

IRIS Product	IRIS Exchequer
Proposed Version	v6.2 Winter 2009 Release

Open Issues/Assumptions

Assumptions

- The VAT Return functionality remains the same, with the inclusion of the following additions.
- All Represented in Currency of VAT return
- The guidance received is that:
    o The amount of output tax in **box 1** – VAT due on sales
      (This relates directly to the additional VAT movement we generated in 6.2.VAT.38)
    o The amount of input tax in **box 4** – VAT reclaimed on purchases
      (This relates directly to the normal input VAT movement for the purchase transaction)
    o The full value of the supply in **box 6** total value of sales
      (This relates directly to the normal net value of the goods/service)
      The full value of the supply in **box 7** total value of purchases
      (This relates directly to the normal net value of the goods/services)

    Example:

    Purchase Invoice for Services @ £115.00
    Net Value   - £100.00
    VAT (15%)   - £15.00

    Results in:
    Box 1:   £15.00
    Box 4:   £15.00
    Box 6:   £100.00
    Box 7:   £100.00

Detail Design

If our understanding of how this works is correct then no work is required, investigation of the code indicates that the figures shown on section 3 of the VAT Return are retrieved from Transactions during the printing of Section 1 and from the History table during the preparation of section 2, therefore if the Purchase Posting modifications (6.2.VAT38) are done correctly then the services figures should appear here automatically once that work has been completed.

As a precaution time should be put into the project plan to allow this to be tested once the Purchase Posting (6.2.VAT38) work has been done.

Open Issues with HMRC

Triangulated Services

The CSV upload file does not facilitate a way to identify triangulated services specifically. It is valid to assume services could be obtained from say "Germany", and performed in "France". There indicator code only has 0 = goods, 2 = triangulated, 3=services.

For Exchequer it has been considered prudent to group goods and services under the indicator code "2" – which is better to report rather than to exclude.