VAT-Registered Double-Entry Excel Template — User Guide

Double-entry | VAT UK | Payroll (Timesheet → Payslip) | Inventory (optional) | P&L / Balance Sheet

Support for customers
Stuck? Email admin@migratewordpresssite.com with a short description, screenshots, and the workbook (or a sample).
Quick how-to questions and bug fixes are usually free. Customisations/data repair/onboarding may incur a small fee depending on complexity and time since purchase.

Before you start

- **Practice on a copy:** Save a duplicate of the workbook and experiment there first.
- Get familiar with the layout before deleting sample data (most samples are in *PRICELIST*).

Clearing sample data safely

Most formula columns are locked & protected. Only unlocked input cells are meant for typing.

1. **Unprotect sheet** (if needed): *Review* → *Unprotect Sheet* (no password).
2. In a data-entry sheet (e.g., *GENERALENTRIES*, *PRICELIST*):
   Click inside the data area → press `Ctrl` + `G` → *Special…* → choose *Constants* (tick Numbers/Text; untick Errors) → *OK* → press `Delete`.
   Do not use *Clear All*, and don't delete protected columns.
3. Protect the sheet again when done.

Tip: never delete whole columns unless you're certain they aren't referenced by a table, validation list, or formula.

Hidden / system sheets (please don't change)

Sheet1, *Sheet3*, *Sheet4*, *CHARGABLEINCOME*, *CHART OF ACCOUNTS* support the model and are hidden. If you must change (especially COA), do so carefully and hide again afterwards.

Hide/Unhide a sheet: right-click a sheet tab → *Hide* / *Unhide…* (or Home → Format → Hide & Unhide). Consider *Review* → *Protect Workbook* → *Structure* to avoid accidental edits.

New to double-entry?

We included common examples. Read them and copy the pattern. If unsure, search for “double-entry examples” and practice — it clicks quickly with use.

Quick tips

- **Search this page:** `Ctrl` + `F` / `⌘` + `F`.
- **Print to one page:** Page Layout → Margins (Narrow) → Page Setup → Page → Fit to 1 page (Portrait/Landscape). For repeating headings: Page Setup → Sheet → Rows to repeat at top.
- Before deleting rows/columns, check they aren’t used by a Table, Validation list, or formula.

Sheet overview (what you use & why)

1) Config (set once)

- Enter tax bands/rates: *PersonalAllowance, BasicUpperTaxable, HigherUpperTaxable, BasicRate, HigherRate, AdditionalRate*.
- Enter NI thresholds/rates: *NI_PT_Wk, NI_UEL_Wk, NI_PT_Mth, NI_UEL_Mth, NI_MainRate, NI_UpperRate*.
- Maintain employees (G name, H NI number).
- Pension (fixed amounts): *Pension_Weekly_Fixed*, *Pension_Monthly_Fixed*.

2) EMPLOYEETIMESHEET (daily entries → weekly/monthly totals)

Editable: A Employee • D Date • E/F Start/End time • I Hourly rate • Q Deductions (manual)

Automated (protected): B Week No • C Week Start (Mon) • G Total daily hours • H Total week hours • J Daily pay • K Weekly Total Pay • L Weekly PAYE • M Weekly Employee NI • N Monthly Total Pay • O Monthly PAYE • P Monthly Employee NI • R EmpKey (helper)

Weekly/Monthly totals appear only on the last row of that period for the employee; other rows stay blank by design.

3) Payslip (printable A5)

1. **B4:** choose Employee.
2. **D4:** choose frequency (Weekly / Monthly).
3. **If Weekly:** F4 = week start (Mon). **If Monthly:** H4 = month (list shows month-end dates; display “mmm yyyy”).
4. Slip auto-fills: Gross, PAYE, NI, Pension, Deductions, Net, plus YTD Gross/PAYE/NI.

Printing preset: Size A5, Portrait, Margins Narrow, Fit to 1 page, center horizontally. To print 2 per A4: save as PDF then choose "2 pages per sheet" in your PDF viewer.

4) GENERALENTRIES

Record every transaction with debit/credit accounts (VAT-inclusive in the main account), then split *Output VAT* / *Input VAT* to their respective VAT accounts.

For VAT quarters: reconcile Output vs Input VAT and post to the VAT Liability account; record payments to/from HMRC.

5) LEDGER

View account activity. Right-click inside the table → *Refresh*. Use the Account panel to filter; `Alt` + `C` returns to table view.

6) TRIAL BALANCE

Overview of balances. Columns F (Type) & G (Statement placement) carry formulas — drag down if the table grows.

7) P&L and BALANCE SHEET

Examples you can adapt. Pull figures from TRIAL BALANCE using the provided lookups. If the Balance Sheet doesn't balance, re-check General Entries and account placement.

8) (Optional) Inventory/Stock

MASTER INVENTORY, STOCKTRACKER, VARIANCETRACKER are linked. Some columns are protected; update reorder levels as needed.

9) SHORTTERM LIABILITIES

Track loans/credits due within a year. Mostly automated—enter the key inputs.

Payroll logic (what's automated)

- **PAYE:** tax-year-to-date method (0%/20%/40%/45% bands from Config). Period tax = YTD tax at period end − YTD tax before the period.
- **Employee NI:** PT/UEL thresholds (weekly/monthly) and rates from Config (8% between PT–UEL, 2% above UEL). Only the last row of a period shows NI due.
- **Pension:** fixed weekly/monthly amounts from Config applied on the period's last row.
- **Deductions (Q):** manual per row; payslip sums period deductions.

FAQs / Common fixes

- **I can't type in a column.** It's a protected formula column. Enter data only in labelled entry columns. To change logic: Review → Unprotect Sheet (no password), edit, then protect again.
- **Month selector does nothing (Payslip).** Set D4 = "Monthly" and pick a month in H4 (month-end date).
- **Zeros showing?** We use custom formats (e.g., `£#,##0.00;-£#,##0.00;;@`) to hide 0.00 while keeping values numeric.
- **Add a new employee.** Add to Config (G/H); they appear in dropdowns immediately.

P&L / Balance Sheet notes

Use TRIAL BALANCE to feed the statements.

- Example Sales VLOOKUP (credit → multiply by −1 to show positive): `=VLOOKUP(B5,TRIALBALANCE!$A$4:$D$211,4,0)*-1`
- "Other expenses" can be built by summing selected balances from TRIAL BALANCE (use `=` then click each value).
- Retained Earnings should link to P&L (if profits left in the business).

Inventory notes

- **Master Inventory:** Reorder level is set to 30 days by default — change the days in the first cell and drag down. Some formula cells are locked.
- **Stock Tracker:** Delete sample data. Column B is linked to Master Inventory and is protected.
- **Variance Tracker:** Columns A, C, E are locked; A/C link to Master Inventory.
- **Price List:** D, F, G, H are protected. Supplier & Customer lists feed validation cells in other sheets. If importing your own list, match the provided headers and order.

VAT — double-entry refresher (UK)

Sales (Output VAT)

Sale £1,000 + 20% VAT £200:

```
DR Accounts Receivable £1,200
CR Sales Revenue £1,000
CR VAT on Sales (VAT Liability) £200
```

Purchases (Input VAT)

Purchase £500 + 20% VAT £100:

```
DR Purchases/Expenses £600
CR Accounts Payable £600
DR VAT on Purchase (VAT Control) £100
```

VAT return & clearing

1. Quarterly: compute Output VAT − Input VAT.
2. Clear VAT sub-accounts to VAT Liability:
   `DR VAT Liability / CR VAT on Purchase`
   `DR VAT on Sales / CR VAT Liability`
3. Pay HMRC if liability is negative (you owe); receive if positive.

Short- vs Long-Term Liabilities (quick guide)

- **Short-term (current) liabilities:** due within a year (AP, short-term loans, accrued expenses, taxes payable, unearned revenue, dividends payable, current portion of long-term debt). Key ratios: Current Ratio, Quick Ratio.
- **Long-term (non-current) liabilities:** due after a year (long-term loans, bonds, deferred tax, pensions, non-current lease obligations, provisions, long-term deferred revenue). Key ratios: Debt-to-Equity, DSCR, Interest Coverage.

Accounts you'll typically need (VAT business)

1. **Sales:** Sales Revenue; Output VAT.
2. **Purchases/Expenses:** Expense/Purchases; Input VAT.
3. **VAT:** VAT Liability; VAT Control.
4. **Bank & Cash:** Bank; Cash.
5. **Debtors/Creditors:** Accounts Receivable; Accounts Payable.
6. **Inventory** (optional): Inventory/Stock.
7. **Payroll:** Wages Expense; PAYE/NI liabilities; Payroll clearing.
8. **Fixed assets & Depreciation.**
9. **Loans & other liabilities.**
10. **Equity & Retained earnings.**
11. **Prepaids/Accruals, Bad debts** (optional).

Sales returns & discounts (patterns)

Full sales return (goods back to stock)

```
DR Sales Returns £1,000
DR Output VAT £200
CR Accounts Receivable £1,200

DR Inventory £600         (reverse COGS, if returned)
CR Cost of Sales £600
```

Discount taken after invoice (credit note)

Original invoice £1,200 (1,000 + 200 VAT). 5% discount on net (£50):

```
DR Sales Discounts £50
DR Output VAT £10
CR Accounts Receivable £60
```

National Insurance & payroll-related accounts

Current name	Change to	Why
National Insurance (as Expenses)	National Insurance Expense	Employer's NI → P&L expense
Payroll taxes (Current Liabilities)	Keep	NI & PAYE owed to HMRC
Payroll clearing (Current Liabilities)	Keep	Holds net wages/NI/PAYE until paid
HMRC Liabilities (Current Liabilities)	Keep	General bucket for amounts owed to HMRC

Weekly Employee NI (2024/25 quick rule)

- ≤ £242 → £0 NI (earnings £123–£242 still count for credits).
- £242–£967 → 8% on that slice.
- Above £967 → 8% up to £967, then 2% on the rest.

Payslip printing & PDF export

- **Default:** A5, Portrait, Margins Narrow, Fit to 1 page, center horizontally, no gridlines/headers/footers.

- **Two per A4:** keep A5 → `Ctrl` + `P` → Printer settings → *2 pages per sheet*.
- **PDF export:** File → Export → Create PDF/XPS (ensure Options → publish the Print Area / Active sheet).

Payroll (UK) — RTI & scope

- This workbook calculates employee deductions (PAYE, Employee NI, Pension) and produces payslips.
- Employer NI, holiday accrual, scheme-specific pensions can be added later if needed.
- Excel can't file RTI (FPS/EPS) directly to HMRC. Use HMRC's Basic PAYE Tools or recognised payroll software to submit.
- **Workflow:** keep using this Excel for maths & payslips → on payday enter the period totals into your filing software → submit FPS/EPS.

Best-practice tips

1. **Always include reference numbers** (e.g., "Inventory purchase — Inv#12345 (Supplier ABC)").
2. **Use consistent verbs** (Paid/Received/Purchased/Sold/Depreciation/Adjustment).
3. **Link to VAT** ("Std VAT 20%", "Zero-rated", "Exempt").
4. **Opening balances** — use "Opening balance b/f" if importing mid-year.
5. **Keep real supplier/customer names** in the Description where COA placeholders are used.

This guide is for the VAT-registered double-entry template. For help: admin@migratewordpresssite.com. Practice on a copy; keep backups, especially before editing formulas or structure.