## Value Added Tax (VAT)

## Basic journal entries

Sales of goods are managed based on periodic inventory.

The booking of VAT is based on the net method. To simplify, please use the rate of 7.7%. All calculations are rounded to the nearest franc.

First quarter entries have already been booked. Please book the different journal entries for the **2nd quarter**:

- 1. The VAT statement for the previous quarter has been done. Make the necessary transfers/journal entries.
- Purchase of goods on credit fr. 32'600.—excluding VAT.
- Sale of goods on credit fr. 52'800.—excluding VAT.
- 4. Payment of VAT for the previous quarter.
- 5. Cash purchase of a delivery car for fr. 23'500.— VAT included.
- 6. Payment of fr. 10'000.— to suppliers, less 2% discount.
- 7. Customers pay us a deposit of Fr. 20'000.— (VAT not included) by bank transfer. Please book either in the "Sales" account or in "Cash received in advance from Customers" account.
- 8. Booking of an electricity bill for fr. 3'450.— VAT included.
- 9. Cash sale of goods for fr. 26,900.— VAT included.
- 10. Payment of the electricity bill (entry 8) by bank transfer after deducting a discount of 400.—.
- 11. We grant a discount of fr. 538.— to our customers amount including VAT.
- 12. The boss takes goods for a value of fr. 400.— Purchase price.
- 13. We sell goods for fr. 100'000.—, excluding VAT, to the same customers of the journal entry n° 7. The balance is paid by bank transfer.

Cash	Trade receivables	Stock / Inventory
SI 34'790.00		SI 54'000.00
	VAT refund on investments &	
VAT refund on goods	other expenses	Vehicles & other fixed assets
SI 3'570.00	SI 2'460.00	SI 67'900.00
		<u> </u>
Trade payables	VAT Due	Various creditors / debts
I	SI 13'960.00	1
	- 10 000.00	
VAT to pay or current account	Private	Salos of goods
VAT to pay or current account	Filvate	Sales of goods   SI 174'500.00
		51 174 500.00
<del></del>		
5		
Purchase of goods	Sale to ourselves	Overheads expenses
SI 44'625.00		

## Value Added Tax (VAT)

## Basic accounting journal entries

Sales of goods are managed based on perpetual inventory. The gross margin is 25% of the selling price.

The booking of VAT is based on the net method. To simplify, please use the rate of 7.7%. All calculations are rounded to the nearest franc.

First quarter entries have already been booked. Please book the different journal entries for the **2nd quarter**:

- 1. The VAT statement for the previous quarter has been done. Make the necessary transfers/journal entries.
- 2. Purchase of goods on credit fr. 25'800.—excluding VAT.
- 3. Sale of goods on credit fr. 38'900.—excluding VAT.
- 4. Payment of VAT for the previous quarter.
- 5. Cash purchase of a computer for fr. 3,500.— VAT included.
- 6. Payment to suppliers of journal entry 2, minus 2% discount.
- 7. Customers pay us what they owe us by bank transfer.
- 8. Booking of an advertising invoice of fr. 13,450.-, VAT included.
- 9. Cash sale of goods for fr. 26,900.— VAT included.
- 10. Payment of the advertising invoice by bank transfer after deduction of a discount of 1'000.—, please refer to journal entry 8.
- 11. Customer sends us back goods for fr. 2'000.— VAT not included. We send him a credit note for future orders.
- 12. Boss takes from the stock goods for with a selling price of 571.- including VAT.

Cash	Trade receivables	Stock / Inventory
SI 34'790.00		SI 54'000.00
	VAT refund on investments &	
VAT refund on goods	other expenses	Computer & other fixed assets
SI 3'570.00	SI 2'460.00	SI 67'900.00
1 3'570.00	1 2'460.00	
Trade payables	VAT Due	Various creditors / debts
	SI 13'960.00	
	1 13'960.00	
VAT to pay or current account	Private	Sales of goods
		SI 174'500.00
1 3'570.00 1 13'960.00		
1 2'460.00		
Sale to ourselves	COGS	Overheads expenses / marketing
Calc to ourserves	SI 130'875.00	Overheads expenses / marketing
	01 130 07 3.00	