How to enter a Sub Contractor purchase invoice.

Go to Purchases and Supplier. Click the add button and enter the name of your sub contractor.

Select payee as sub contractor, and save the details.

Go to purchases and invoices and enter your invoice details as usual, select the vat option of 13.5%. Save your invoice.

VAT Period	Invoice No	Sequence	Date	Supplier	VAT%	Net	Gross	VAT	EU/RCV VAT	Nominal	Status	Resale
Sep-Oct 2011	123	89	11/10/2011	John Doe	13.5%	50.00	50.00	0.00	6.75	Purchases	unpaid	N
Sep-Oct 2011	CR- 55556	88	04/10/2011	Eircom	21%	74.31	89.91	15.60	0.00	Resale	overdue	N

When you check your vat reconciliation report you will see that in your T1 Column your sales vat will show in the RCV and in your T2 column for purchases the vat appears as well.