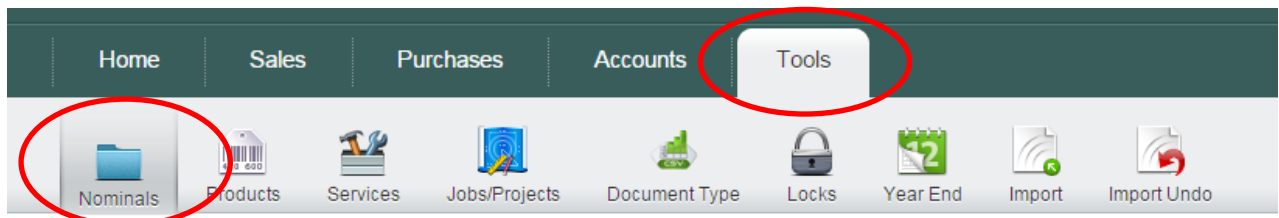


How to Enter Leases & Lease Interest

1. Select Tools and Nominals

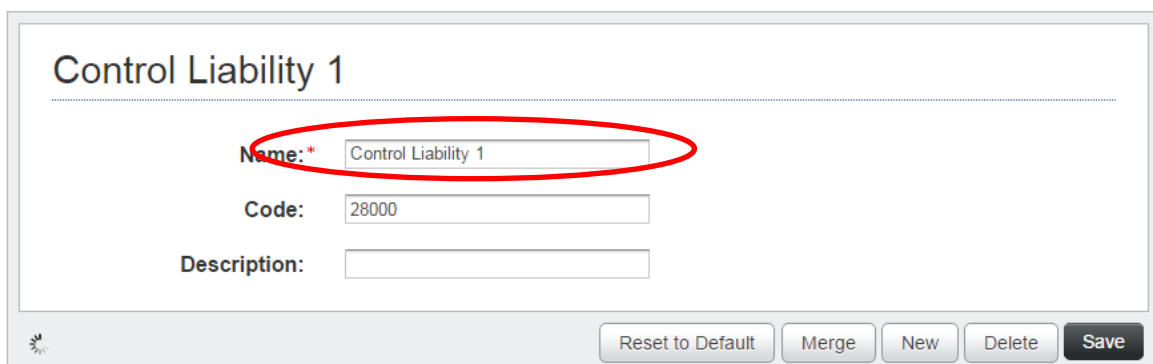


2. Scroll down to Current Liabilities and select "Control Liability 1"

Current Liabilities

- ☞ Creditors (21000)
- ☞ Payroll Tax (22000)
- ☞ VAT (23000)
- ☞ Corporation Tax Liability (24000)
- ☞ Credit card (25000)
 - ☞ AIB Credit Card 1590
- ☞ Accruals (26000)
- ☞ Short Term Loan (21500)
- ☞ ~~Control Account Liability (21600)~~
- ☞ **Control Liability 1 (28000)**
- ☞ Control Liability2 (28100)
- ☞ Control Liability3 (28200)
- ☞ Control Liability4 (28300)
- ☞ Control Liability5 (28400)

3. When you select "Control Liability 1" the following appears



The screenshot shows the 'Control Liability 1' form. The 'Name' field is highlighted with a red circle. The form contains the following fields:

- Name:** * Control Liability 1
- Code:** 28000
- Description:** (empty field)

At the bottom of the form, there are buttons for 'Reset to Default', 'Merge', 'New', 'Delete', and 'Save'.

4. Change "Control Liability 1" to "Lease" and Press SAVE

Control Liability 1

Name:

Code:

Description:

5. Again Scroll down to Current Liabilities and select "Lease"

Current Liabilities

- Creditors (21000)
- Payroll Tax (22000)
- VAT (23000)
- Corporation Tax Liability (24000)
- Credit card (25000)
 - AIB Credit Card 1590
- Accruals (26000)
- Short Term Loan (21500)
- Control Account Liability (21600)
- Lease(s) (28000)
- Control Liability2 (28100)
- Control Liability3 (28200)
- Control Liability4 (28300)
- Control Liability5 (28400)

6. Select "New".

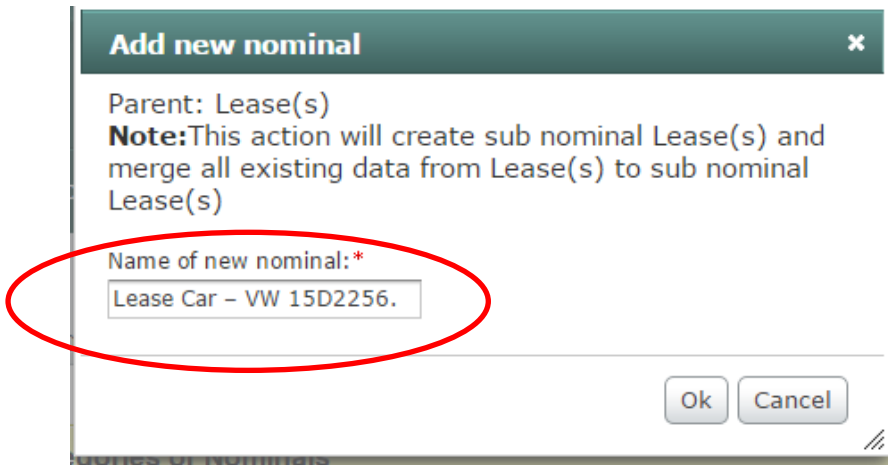
Control Liability 1

Name:

Code:

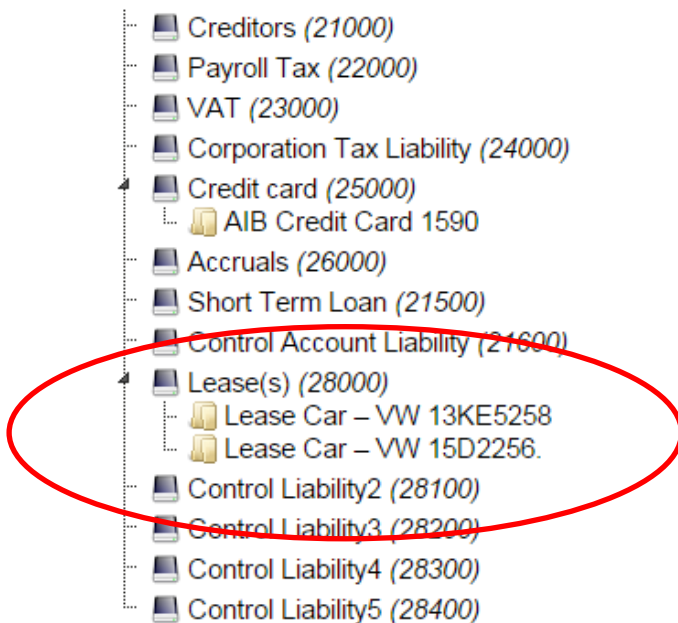
Description:

- The following window opens. Enter in i.e. Car – VW 15D2256. The reason to add a new nominal is there may be several leases. If there are several car leases by entering the Car Registration it makes it easier to allocate the correct payments to the correct lease.

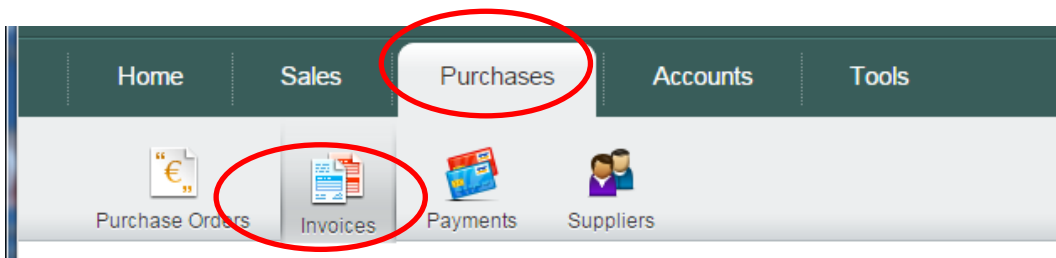


- If you return to the Current Liabilities section you will see the new nominal “

Current Liabilities



- To enter in the Lease payment and be able to reclaim the VAT - Go to Purchases



10. Enter in a Purchase invoice for the repayment for the Lease – VW 15D2256

VAT Period	Invoice No	Sequence	Date	Supplier	VAT%	Net	Gross	Base Equivalent	VAT
------------	------------	----------	------	----------	------	-----	-------	-----------------	-----

Add

Purchase Invoice
 Just pick the suppliers name - or click on the "+" symbol to quickly add a new one - then enter the invoice number as it appears on the invoice and select the date. This will take you through and allow you to enter the specific details.

Supplier:* + Invoice No: Date:*

- add multiple

11. Enter in the Lease repayment amount and select "Lease" in the Nominal box. As you can see as there are two leases you can select the correct one from the "Current Liabilites" in the Balance Sheet.

Add


Supplier: + Invoice No: Currency: Exchange Rate:

VAT period:

Date: Due:

Note:

- add full payment Sequence No: 24

 The currency has been converted through xe.com which updates the currency rates hourly once. The currency rates that is shown on screen denotes the rate when the invoice has been actually created into SMBO. Please refer [xe site](#)

Details

Invoices Purchase Details
 Select the service or product from the Item drop-down. To add a new item click on the +. If you have already paid for this item tick the box that says 'Add full payment' and you can add the payment details now also to save time later.

Item:	Description:	VAT rate:	Quantity	Price:
<input type="text" value="Service"/> +	<input type="text"/>	<input type="text" value="23%"/>	<input type="text" value="1"/>	<input type="text"/>

Nominal: + Job: Resale: - Resale Net: VAT: Gross:

Current liability-28000

 Current liability-28000

12. Summary – You have now Debited the VAT lease in the Balance Sheet (decreasing the value of the lease) and Credited the Creditors for "Lease – VW 15D2256"

13. We know this is paid from the bank and we do not want a Creditor so you can pay this invoice right away from the bank by clicking on “Add full payment” and selecting the relevant bank.

Supplier: Lease - VW 15D2256 +

VAT period: Jan-Feb 2015 ▼

Date: 31/01/2015 Due: 02/03/2015

Invoice No: Jan 2015

Currency: Euro

Exchange Rate: 1.00000 Edit Rate

Note:

- add full payment

Payment Type: Bank transfer

Bank Account: AIB 1234


Sequence No: 24

Cheque Number:

Payment Date: 31/01/2015

EUR Equivalent: 615.00

Reference:



The currency has been converted through [xe.com](#) which updates the currency rates hourly once. The currency rates that is shown on screen does not reflect the rate when the invoice has been actually created into SMBO. Please refer [xe site](#)

Details

Invoices Purchase Details

Select the service or product from the Item drop-down. To add a new item click on the +. If you have already paid for this item tick the box that says 'Add full payment' and you can add the payment details now also to save time later.

Item:	Description:	VAT rate:	Quantity	Price:
Service +		23%	1	

Nominal:	Job:	Resale:	Net:	VAT:	Gross:
Lease(s):Lease Car - VW	Sarah Daly Ltd +	<input type="checkbox"/> - Resale	500.00000	115.00000	615

Duplicate
Preview
History
OK
Cancel

14. By completing sept 13 above you are crediting the Bank and Debiting the Lease. Therefore there are no creditors.

15. Go to the Simple Trial Balance Report and select “Supress 0’s” and Apply. You can see that the full payment of €615 is made from the bank and the Net payment is set against the lease and the VAT element of the payment has gone to the VAT nominal.

← Back
All reports
Print
Save as PDF
Save as Excel

details:

Include Sub-Nominals ▼

Select range:

current accounting year

Job:

Nominal:

- Suppress 0s

Apply
Reset

Simple Trial Balance

Test - Lease

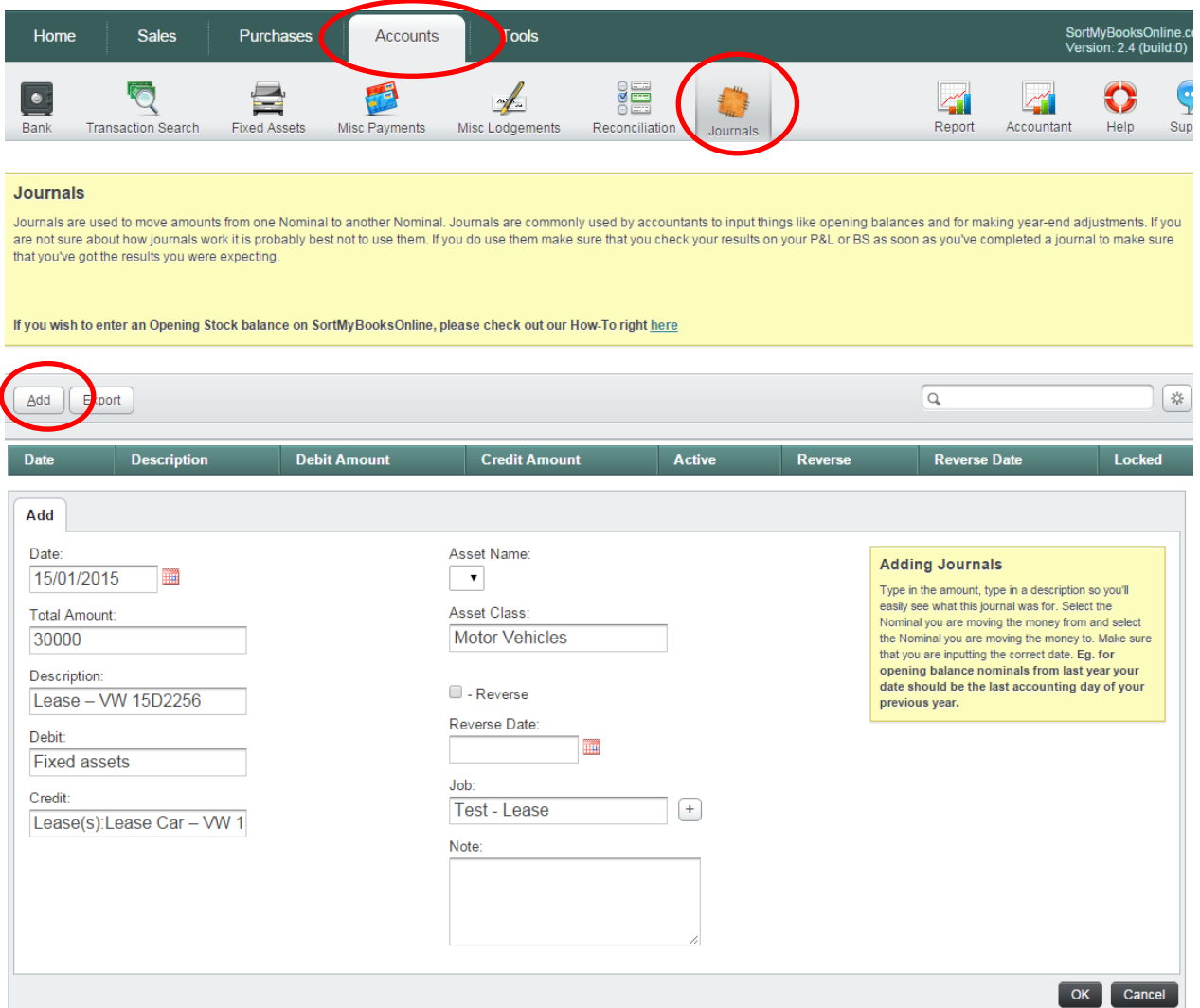
Period: from 01/01/2015 to 31/12/2015

Name	P/B	Debit	Credit
Bank - 134	B	0.00	615.00
VAT	B	115.00	0.00
Lease Car - VW 15D2256	B	500.00	0.00
		615.00	615.00

Grand Total

Name	Debit	Credit
GrandTotal	615.00	615.00

16. To enter in the Lease Liability – Select “Accounts”, then select “Journals” and click add.
 - a. Enter the date of purchase
 - b. Enter in the total lease amount
 - c. Enter Description – “Lease – VW 15D2256”
 - d. Debit – Fixed Assets
 - e. Credit – Lease – VW 15D2256
 - f. Asset Class – Motor Vehicle
 - g. Click “OK”



Home | **Sales** | **Purchases** | **Accounts** | **Tools** SortMyBooksOnline.c
Version: 2.4 (build:0)

Bank | Transaction Search | Fixed Assets | Misc Payments | Misc Lodgements | Reconciliation | **Journals** | Report | Accountant | Help | Sup

Journals

Journals are used to move amounts from one Nominal to another Nominal. Journals are commonly used by accountants to input things like opening balances and for making year-end adjustments. If you are not sure about how journals work it is probably best not to use them. If you do use them make sure that you check your results on your P&L or BS as soon as you've completed a journal to make sure that you've got the results you were expecting.

If you wish to enter an Opening Stock balance on SortMyBooksOnline, please check out our How-To right [here](#)

Add | **Export** Q [Settings]

Date	Description	Debit Amount	Credit Amount	Active	Reverse	Reverse Date	Locked
------	-------------	--------------	---------------	--------	---------	--------------	--------

Add

Date: [Calendar]

Total Amount:

Description:

Debit:

Credit:

Asset Name:

Asset Class:

- Reverse

Reverse Date: [Calendar]

Job: +

Note:

Adding Journals
Type in the amount, type in a description so you'll easily see what this journal was for. Select the Nominal you are moving the money from and select the Nominal you are moving the money to. Make sure that you are inputting the correct date. Eg. for opening balance nominals from last year your date should be the last accounting day of your previous year.

OK **Cancel**

17. If you go back to the Simple Trial Balance Report and select “Supress 0’s” and Apply. You can now see that there is a Fixed Assets of €30,000 and the remaining value of the lease (€30,000 - €500).

← Back
All reports
Print
Save as PDF
Save as Excel

details:

Include Sub-Nominals ▼

Select range:
current accounting year

Job:

Nominal:

- Suppress 0s

Apply Reset

Simple Trial Balance

Test - Lease

Period: from 01/01/2015 to 31/12/2015


Name	P/B	Debit	Credit
Motor Vehicles - Motor Vehicles Unallocated	B	30,000.00	0.00
Bank - 134	B	0.00	815.00
VAT	B	115.00	0.00
Lease Car - VW 15D2256	B	0.00	29,500.00
-		30,115.00	30,115.00


Grand Total


Name	Debit	Credit
GrandTotal	30,115.00	30,115.00


18. To enter Lease interest. Firstly, set up enter a nominal called “Lease Interest” under the “Finance Charges”. Select “Tools” and “Nominals” and click on “Finance Charges”.


Home
Sales
Purchases
Accounts
Tools



 Nominals



 Products



 Services



 Jobs/Projects


 Document Type


 Locks


 Year End


 Import


 Import Undo

Income

▾ Sales (41000)

Cost of Sales

- ▾ Purchases (51000)
- ▾ Direct Labour (52000)
- ▾ Sub-contractors (53000)
- ▾ Other Direct Costs (54000)
- ▾ Opening Stock (58000)
- ▾ Closing Stock (59000)

Expenses

- ▾ Advertising and Promotion (60000)
- ▾ Employee Payroll (61000)
- ▾ Employer's PRSI. (61888)
- ▾ Directors Payroll (62000)
- ▾ Finance Charges (63000)
- ▾ Currency Difference (63100)

Categories or Nominals

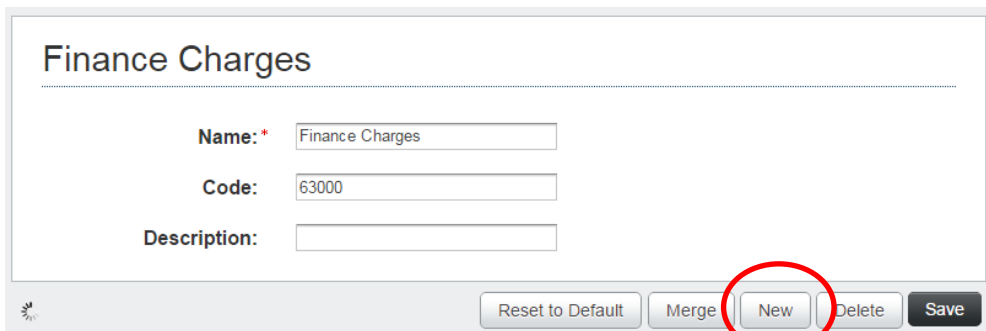
To understand your business finances better, your day to day selling and spending is etc.

This section lists all the nominals in the system, and how they are grouped.

To add or change these nominals, check out the How-To [here](#).

To merge nominals, see the How-To [here](#).

19. The following screen appears. Click “New”



Finance Charges

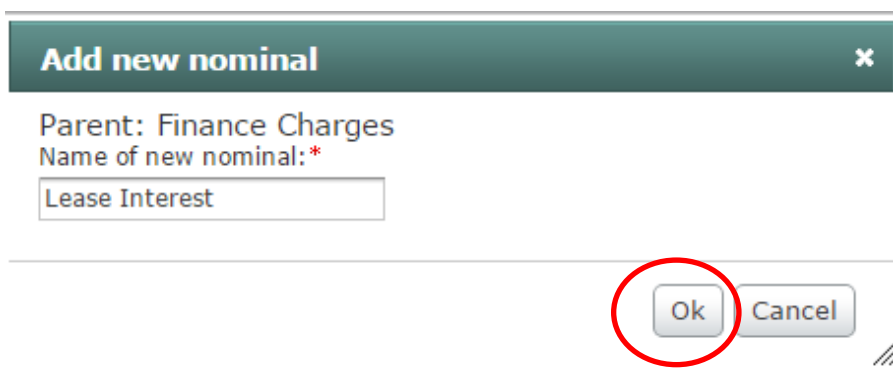
Name: * Finance Charges

Code: 63000

Description:

Reset to Default Merge **New** Delete Save

20. The following window opens. Enter “Lease Interest” and click “OK”



Add new nominal

Parent: Finance Charges

Name of new nominal: *

Lease Interest

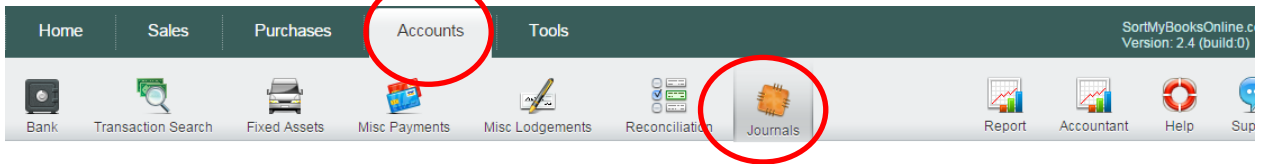
Ok Cancel

21. If you return to the “Finance Charges” Section you will see the nominal “Lease Interest”

Expenses

- Advertising and Promotion (60000)
- Employee Payroll (61000)
- Employer's PRSI. (61888)
- Directors Payroll (62000)
- Finance Charges (63000)**
 - Currency Difference (63100)
 - Lease Interest
- Insurances (64000)
- Legal and Professional Fees (65000)
- Office/Property (66000)
- Travel and Subsistence (67000)
- Motor (68000)
- Other (69000)
 - Software Subscription

22. Select “Accounts” and “Journals” and “Add”. Once you know the monthly interest, it can be entered as a journal, by Debiting the “Lease Interest” in the Profit and Loss and Crediting the “Lease Car Lease – VW 15D2256” in the Balance Sheet.



Journals

Journals are used to move amounts from one Nominal to another Nominal. Journals are commonly used by accountants to input things like opening balances and for making year-end adjustments. If you are not sure about how journals work it is probably best not to use them. If you do use them make sure that you check your results on your P&L or BS as soon as you've completed a journal to make sure that you've got the results you were expecting.

If you wish to enter an Opening Stock balance on SortMyBooksOnline, please check out our How-To right [here](#)

Add Export

Date	Description	Debit Amount	Credit Amount	Active	Reverse	Reverse Date	Locked
------	-------------	--------------	---------------	--------	---------	--------------	--------

Add

Date: 31/01/2015

Total Amount: 96.50

Description: Lease interest - Jan

Debit: Finance Charges:Lease Inti

Credit: Lease(s):Lease Car – VW 1

Asset Name: [Dropdown]

Asset Class: [Text]

- Reverse

Reverse Date: [Text]

Job: Test - Lease

Note: [Text Area]

OK Cancel

Adding Journals

Type in the amount, type in a description so you'll easily see what this journal was for. Select the Nominal you are moving the money from and select the Nominal you are moving the money to. Make sure that you are inputting the correct date. Eg. for opening balance nominals from last year your date should be the last accounting day of your previous year.

23. Go to the Simple Trial Balance Report and select "Supress 0's" and Apply. You can see the Lease interest of €96.50 (Debit) and the Lease Car – VW 15D2256 (Credit) has increased by the same amount.

[Back](#)

[All reports](#)

[Print](#)

[Save as PDF](#)

[Save as Excel](#)

details:

Include Sub-Nominals ▼

Select range:

current accounting year

Job:

Nominal:

- Suppress 0s

[Apply](#)

[Reset](#)

Simple Trial Balance

Test - Lease

Period: from 01/01/2015 to 31/12/2015

Name	P/B	Debit	Credit
Lease Interest	P	96.50	0.00
Motor Vehicles : Motor Vehicles Unallocated	B	30,000.00	0.00
Bank - 134	B	0.00	615.00
VAT	B	115.00	0.00
Lease Car – VW 15D2256	B	0.00	29,596.50
		-	-
		30,211.50	30,211.50