

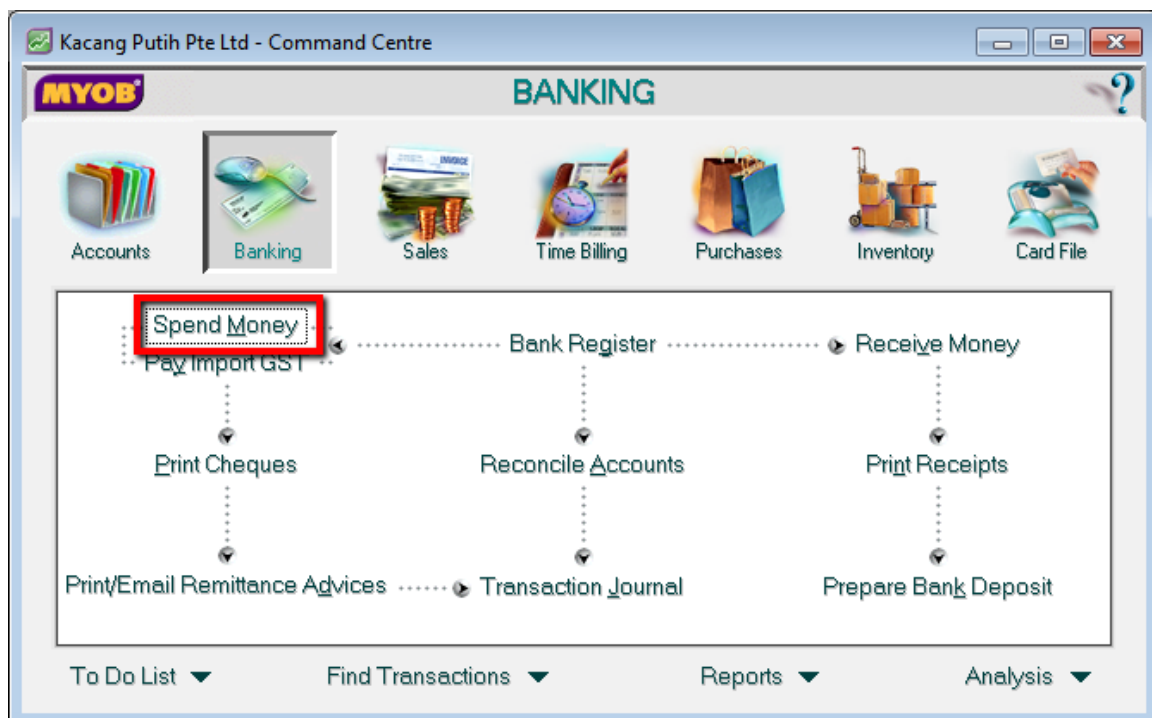
HOW TO RECORD GST PAID ON BEHALF BY OUR FREIGHT FORWARDER?

Sometimes our freight forwarder (eg. Fedex or DHL) may help us pay for our GST when they clear out our cargo for us and at the same, they will also charge us Handling Charges.

There are 2 ways of doing so, either by using SPEND MONEY or ENTER PURCHASES. It depends on situation, SPEND MONEY if the arrangement is to pay directly and ENTER PURCHASES if it is on credit terms.

We are going to illustrate how to tackle such a situation by using “SPEND MONEY”.

1. Go to the Banking Module and select ‘Spend Money’.



2. ‘Spend Money’ window will open.



3. Key in the date. This refers to the date payment was made.
4. If you have created a card for your freight forwarder, select it. Otherwise, just input an appropriate memo into the 'Memo' field if you prefer not to have a card for your freight forwarder.
5. Enter the total amount to be paid in the 'Amount' field. Eg. S\$177.00

Assume the following:

GST paid on behalf	\$70.00
Handling Charges	\$100.00
GST on Handling Charges	\$7.00

6. In the 'Acct #' column, select 'Purchases' or any account in relation to what the GST is for. Input the amount of the value of your imported goods, eg. \$1,000.00.
Note that the 'Tax' should be 'IM'.
7. In the next line, select the same account as the 1st line in the 'Acct #' column. Input -\$1,000.00 into the amount.
Note that the 'Tax' should be 'N-T'.
8. In the 3rd line, choose your Handling Charges account and input the amount of handling charges that your freight forwarder has billed you. Eg. \$100.00 and 'Tax' should be 'TX7' assuming that your freight forwarder is GST registered.
9. Ensure that your 'Account' in which you are using to pay from and the 'Cheque No.' is correct.

10. Click 'Record' to save the entry.