

**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

## Introduction

This article explains how to troubleshoot differences observed between the **VAT Control** account, or total of all VAT Control accounts balances (if relevant), and the **Tax | Reports | Tax Report**.

## Details

Please note these differences are broadly categorized and discussed as such under the following headings:

- Temporary differences that can be fixed by relinks / specific procedures
- Common setup mistakes
- Processing direct journals on the VAT Control account
- Reconciliation mistakes
- Data corruption occurrences
- Data Migrations / Data Imports / SDK Integration

At the end of this article a couple of tips on how to diagnose/identify, and to fix the above mentioned differences, are discussed.

Please also note the following terminology and naming conventions used:

- 'VAT Control Account/s' refer to, either the single Stock Control account that may exist in the company, or the sum of all VAT Control accounts' balances.
- 'VAT Control' account may be the actual account name, or a **generic** name for the specific VAT Control account/s code/description as actually used in the company.
- Differences: The differences identified between the Tax Report balance, and the VAT Control account/s balance, as at a specific period end.
- BP: Evolution Business Partner or dealer.

Document Version:	2017.01.V01	Author:	Bennie Pienaar
-------------------	-------------	---------	----------------

**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

## Temporary differences that can be fixed by relinks / procedures

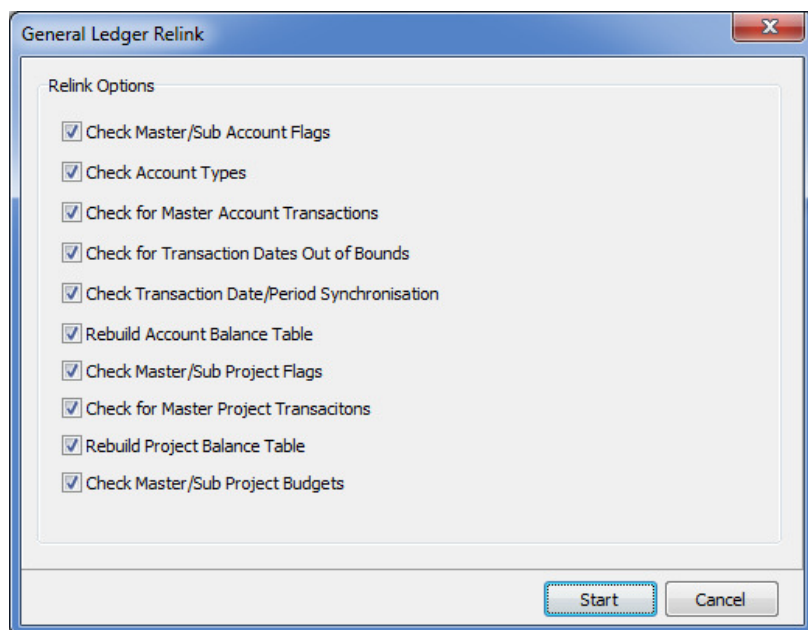
First consider the various relinks / procedures discussed below to fix differences that may exist between the VAT Control account/s and Tax Report.

Only when they fail to rebalance the above mentioned, should further data investigations, referring to the reasons in the other categories, be considered.

**Please note that before any of the relinks/procedures below are applied, a full company backup should be made and all other users logged out of the company. No backup is required for numbers 5, 6 and 7 below but the affected users should still first log out of the company).**

### 1. General Ledger Relink

Running a **General Ledger | Maintenance | General Ledger Relink** (all options selected below) should recalculate the balances of all GL accounts, including the VAT Control account/s.



### 2. Running the DB Maintenance and Refresh Views routines

If the Difference still exists after the above step, consider the following:

The Evolution Database Management utility can be used to perform both the **DB Maintenance** and **Refresh Views** routines.

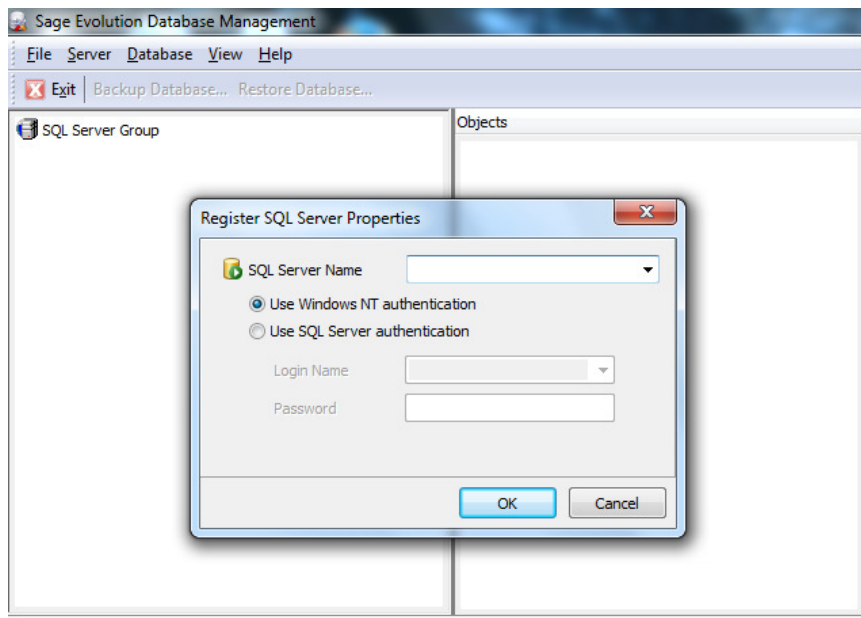
Employing these routines just may correct any reports' / screens' displayed values and thereby correct the Differences.

Document Version:	2017.01.V01	Author:	Bennie Pienaar
-------------------	-------------	---------	----------------

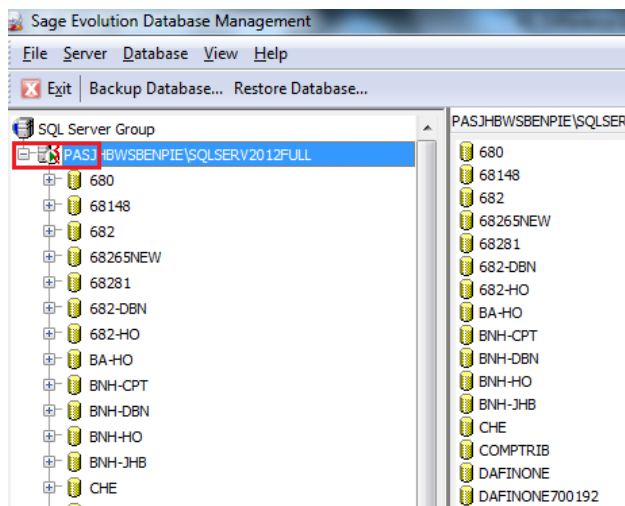
**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

The following procedure is used to re-index all SQL Database (DB) tables, and to refresh all the views of the Evolution company:

1. Perform a company backup and ensure all users are logged out of the company.
2. Open the EDM.exe file from within the installed Evolution folder on the server PC.
3. Register the SQL server if the screen below opens by providing the correct SQL server instance, and using Windows NT Authentication (as the logged on Windows account should have such permissions).

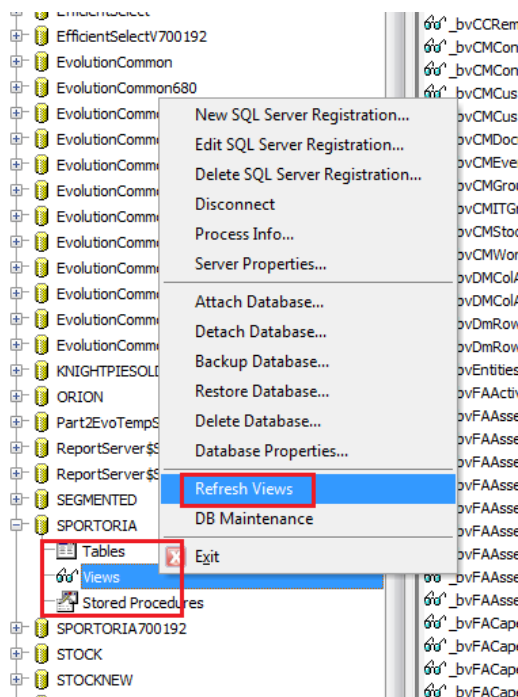


4. Expand the SQL instance on the top left.



**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

5. Double click/expand the specific company database to reveal the Tables, Views and Stored Procedures objects.
6. Right click on **Views**, click on **Refresh Views** and wait until you receive a confirmation message of a certain number of views refreshed.



7. Again right click on Views on the left, click on **DB Maintenance** and wait until done. This will perform a table re-indexing that could correct a wide variety of inaccurate data instances.
8. Log back into the Evolution company and check if the Differences have now been resolved.

### 3. Agent Registry Key Corruption

The content of all Evolution screens' and reports' are depending on the stability of agents' Registry keys.

It's been proven that deleting the relevant screen's/report's Registry key or (in some worst case scenario's) the complete agent's Registry key, on the local PC, may resolve screens' and/or reports' content/values in some cases.

As this is quite a sensitive area of your PC (with the risk of causing other issues if not done correctly), please rather consult with Evolution Support or your BP to assist in deletion of the appropriate Registry key's.

Document Version:	2017.01.V01	Author:	Bennie Pienaar
-------------------	-------------	---------	----------------

**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

## 4. Agent-specific reports' values discrepancies

In some cases specific agents may observe different values on their PC's than the rest of the network (where none of the Differences are observed).

This phenomena may be observed even after the specific agent's Registry key has been deleted and may actually be due to some sort of agent corruption.

A quick way to fix the above issue is to delete the old agent (with the agent logged out of the company) and to create a new one the user can continue with.

## 5. Running a Full Copy Company

Please first consider the various reasons in other categories (for having Differences) before attempting a Full Copy Company routine.

The solution to resolve the Differences may be found in the other reasons and a Full Copy company may not necessarily resolve the issue, but it has proved itself earlier in some of these type of queries.

If eventually you need to run a Full Copy Company, please consult with your BP or Evolution Support on how to do this.

## Common setup mistakes

There are a host of settings in the company that should be correctly configured in relation to the client's business processes, before any transactions are to be processed.

Following below is a discussion of the most common setup mistakes that **WILL** lead to Differences.

Please therefore always consult with your BP to assist in setting up the Evolution company before allowing any processing in it.

It's highly recommended to first process a couple of test transactions in a demo company. This should be a test company as restored using a backup from the 'live company, with a database name such as 'DEMO' or similar.

Doing it this way should, among others, allow you to especially test the financial reports' / GL accounts' Enquiry values in order to determine if the VAT Control account/s balances with the Tax Report.

Finally, please note that even if **any** of the incorrect settings below are corrected **after** any inventory related transactions (e.g. invoices, GRV's or any others) have been posted, **NO** posted transaction history will be automatically corrected/updated **IN ANY WAY**.

The **only way** to fix wrong processing is to manually reverse all transactions, correct the inaccurate settings the way they were supposed to be, and then to reprocess again.

This fact again stresses the importance of ensuring all settings in the company to be correct before processing any transaction.

Document Version:	2017.01.V01	Author:	Bennie Pienaar
-------------------	-------------	---------	----------------

**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

## 1. Incorrect VAT Control account used on Transaction Types

The first obvious setup mistake may be incorrect accounts selected on relevant transaction types across various modules, where the VAT Control account is supposed to be used.

For example, on the **Inventory | Maintenance | Transaction Types | Invoice** the wrong GL account has been entered below where clearly the VAT Control account was supposed to be used.

The screenshot shows the 'Edit Inventory Transaction Type' dialog box for 'INV'. The 'General Ledger Accounts' section contains the following fields:

- Debit Ledger Account: Receivables Control (Receivables Control)
- Credit Ledger Account: Sales (Sales)
- Credit Tax Account: Wastage (Wastage) (highlighted with a red box)
- Always Prompt for Credit Ledger Account: ☐
- Always split Credit Ledger Account: ☐

The 'Other' section contains:

- Sales Transaction Type: ☒

The 'Tax' section contains:

- Tax: ☒
- Tax Group: Sales (Sales)

The 'Debit / Credit' section contains:

- Debit / Credit: ☒ Debit
- Link another Transaction Type: ☒ IS (Issue Stock)

Buttons at the bottom: OK, Cancel.

Clients should therefore always ensure all transactions types across all modules are correctly configured before processing.

Never change any GL accounts if you're not absolutely certain what the end result will be, or if you haven't consulted with your BP or Evolution Support.

Else, if any other accounts are entered in the fields reserved for the intended VAT Control account, Differences may exist when such documents are posted.

## 2. Using wrong GL accounts on AR / AP groups

A user may inadvertently select the wrong GL account on one or more AR / AP Groups, especially in the **Tax Control** field as can be seen below.

The result will cause Differences after the first relevant transaction is processed, if a relevant customer/supplier (as linked to this group), was used.

Document Version:	2017.01.V01	Author:	Bennie Pienaar
-------------------	-------------	---------	----------------



**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

The screenshot shows a dialog box titled "Edit Group 'PTA'". It contains several sections for configuring group settings:

- Group:** Group Code is "PTA", Description is "PTA".
- Group Override:**
  - Discount Matrix: Select a Matrix Row
  - Receivables Control: Select a General Ledger Account
  - Tax Control: Advertising (Advertising)** (highlighted with a red rectangle)
  - Profit on Exchange: (empty)
  - Loss on Exchange: Select a General Ledger Account
- Group Numbers Override:**
  - Invoice: Select a Document Profiles
  - Sales Order: Select a Document Profiles
  - Credit Note: Select a Document Profiles
  - Job Card: Select a Document Profiles
- Revaluations:**
  - Revaluation Profit: Select a General Ledger Account
  - Revaluation Loss: Select a General Ledger Account
  - Provision for Revaluation: Select a General Ledger Account

At the bottom are "OK" and "Cancel" buttons.

Note this account always overrides the account selected in the Tax Account field of any relevant transaction type (e.g. INV, CRN, and other related transaction types).

The result is therefore having incorrect GL account postings if a wrong account has been selected, and consequently also Differences.

If the wrong account/s have been used on the **Tax Control** field/s for one or more Groups, you should therefore do two things here to correct this:

1. Immediately correct the AR / AP Groups to use the correct control accounts
2. If needed, journalise the balance out of the wrong account/s and into the actual intended account/s that were supposed to have been in use since the start.

### 3. Incorrect Tax Types linked to inventory items

On the **Inventory | Maintenance | Inventory Items Maintenance | Defaults** screen, the user may be using the wrong Tax Types as linked to the item.

Document Version:	2017.01.V01	Author:	Bennie Pienaar
-------------------	-------------	---------	----------------

**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

For example, the Invoicing Tax Type should perhaps not be linked to Tax Type 5 (0% exempt tax type).

Note that the above Tax Types, for new stock items created, are by default inherited from the **Inventory Defaults | Inventory** tab as can be seen below.

You should therefore ensure the correct Tax Types are setup below, before start creating new stock items.



**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

Notice however, that posting an Invoice (or any inventory related document) stock line with using an exempt (0%) Tax Type, will not result in Differences.

This setup mistake is merely mentioned to ensure VAT is always charged where it was supposed to have been charged in the first place.

## 4. Operating as a Payments Based- instead of Invoice Based company.

When a new Evolution company is created, most companies should be created as an '**Invoiced Based Tax**' type company. Refer to the **Normal Tax** option on the company creation wizard screenshot below.

The client may however have inadvertently selected the **Payments Based Tax** option on the company creation wizard.

As a result Differences may be observed when processing.

**Create New Sage Evolution Database**

**General Ledger Account Structure**

Select the General Ledger structure you would like to use for your company. Note that this structure cannot be changed once your company has been created.

Using a segmented General Ledger structure will mean that no default Chart of Accounts will be created. No transactions can be posted in the system until the appropriate accounts have been created and assigned to the relevant transaction types

☒ Standard (Master/Sub account) structure  
☐ Segmented structure

**Tax Processing Method**

☐ Normal Tax  
☒ Payments Based Tax

< Back   Next >   Cancel

Also note the following:

- Companies created with the **Payments Based Tax** option runs a specific routine at month end where only fully paid up invoices becomes liable for VAT to be paid to SARS (or local Tax Authority).
- Usually, only non-governmental organisations (NGO's) can obtain permission from SARS to be registered and operate as a Payments Based Tax company
- The Tax Processing option on the company creation wizard is irreversible. There is no setting in the already created company where the user can switch between the two tax processing methods.

**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

## Processing direct journals on the VAT Control account

When GL journals are directly posted to any VAT Control account/s, Differences will occur.

The reason for this is that GL journal transactions may not necessarily include any Tax Types and as a result no movements occur on the Tax Report.

If any such direct journals are observed on the company that should lead, as a net result, to Differences. You should reverse them in order to again balance the Tax Report with the VAT Control account/s.

A quick way to identify if direct journals were processed on the VAT Control account/s, is as follow:

1. On the GL Enquiries grid insert the **Code** column.
2. All direct GL journals should display with a Code value of **JNL** (or specific GL transaction type created and used on the journal) as can be seen below:

Account **Vat Control (Vat Control)** From

Transactions **Ledger Balances** Additional Fields

Drag a column header here to group by that column

Code	Date	Debit	Credit	Running Balance	Description	Reference	Reference 2
INV	2017/01/28		R933.33	(898.88)	Invoice	INV0066	
INV	2017/01/30		R5,649.12	(6,548.00)	Invoice	INV0067	
INV	2017/01/04		R552.63	(7,100.63)	Invoice	INV0068	
INV	2017/01/09		R894.04	(7,994.67)	Invoice	INV0069	
INV	2017/01/31		R5,338.42	(13,333.09)	Invoice	INV0070	
JNL	2017/02/14	R400.00		(12,933.09)	DESC001	REF001	JBR00008
JNL	2017/02/15	R700.00		(12,233.09)	DESC001	REF001	JBR00008

## Reconciliation mistakes

### 1. Not comparing all VAT Control Accounts when reconciling differences

Some companies may have multiple VAT Control accounts and users should therefore always consider all such accounts when reconciling with the Tax Report.

When the above comparison/reconciliation is performed, the user should therefore always include all VAT Control accounts that were ever used in the company's transactional history.

This is opposed by using only the specific VAT Control account/s that is currently used in e.g. the INV, GRV etc. transaction types.

It makes therefore no sense to **only** compare the balance of the VAT Control account as currently used on the various transaction types, against the Tax Report.

Also consider that the company may have various AR and AP Groups, each with its own potential VAT Control account, that also need to be taken into account when reconciling/fixing Differences.

Document Version:	2017.01.V01	Author:	Bennie Pienaar
-------------------	-------------	---------	----------------

**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

## 2. Ignoring balances posted from old accounts' balances to sub-accounts

When a GL main account with a balance acquires its first sub-account, the main account's balance is moved to the new sub-account.

In some cases users may, for some reason, later made this first new sub-account inactive, and/or simply ignoring its balance as part of reconciling the above mentioned difference.

This should ultimately result in an unexplainable difference between the Tax Report and VAT Control account/s.

## 3. Using different dates between Tax Report and GL Enquiries/GL related reports for the VAT Control account

This seems like a very obvious mistake to make but please always consider to compare apples-with-apples.

Always ensure the correct Tax Report periods/dates are selected when comparing its's results with the VAT Control account's movements for the matching periods/dates.

Also consider the following principle:

- Usually the VAT Control account gets debited when invoices are processed, and credited when Supplier Invoices are processed.
- When the VAT amount due to SARS is processed in the cashbook as a payment, the VAT Control account usually should be credited. This is the same result as having a direct journal on the VAT Control account.
- From this moment on, the total VAT Control account balance (over all periods) should therefore not balance with the VAT Report as ran for all periods.
- The reconciliation between the VAT Report and VAT Control account should therefore be strictly **filtered per specific period** to determine the actual, non-cashbook payments, **period movement** recorded between the Tax Report and VAT Control. Consider for example the following:

The VAT Report results as run for **July 2016**, reveal a total movement of **R3 065.19**

### Tax Report 720-NEW

Tax Number:

Period: July 2016 to July 2016

Customs Code:

Tax Report

Page 1 of 1

Tax Type: 1

Standard Rate (Excluding Capital Goods)

Date	Tr Code	Reference	Description	Audit Trail	Exclusive	Tax	Inclusive
2016/07/01	IS	INV0003	Invoice	7.0001	0.00	0.00	0.00
2016/07/01	IS	INV0004	Invoice	8.0001	(2,829.23)	(396.09)	(3,225.32)
2016/07/01	IS	INV0005	Invoice	9.0001	(2,829.23)	(396.09)	(3,225.32)
2016/07/05	IN		Invoice	13.0002	1,754.39	245.61	2,000.00
2016/07/10	IN		Invoice	54.0003	6,140.35	859.65	7,000.00
2016/07/12	IN		Invoice	54.0004	5,263.16	736.84	6,000.00
2016/07/12	IN		Invoice	54.0002	7,017.54	982.46	8,000.00
2016/07/13	IN		Invoice	15.0001	7,017.54	982.46	8,000.00
2016/07/17	IN		Invoice	15.0002	359.65	50.35	410.00
					21,894.17	3,065.19	24,959.36
					21,894.17	3,065.19	24,959.36

Document Version:	2017.01.V01	Author:	Bennie Pienaar
-------------------	-------------	---------	----------------

**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

The calculated movement of the VAT Control account for the same period is **R8164.89 – R5099.70 = R3 065.19** which accurately reconciles with the above Tax Report.

## Ledger Accounts 720-NEW

From : July 2016 To : July 2016

Ledger Accounts

Page 1 of 1

Date	Reference	Description	Debit	Credit	Balance
<b>Account Type : Other Current Liability</b>					
<b>Vat Control</b>					
		Opening Balance	5,099.70		
2016/07/01	INV0003	Invoice			(5,099.70)
2016/07/01	INV0004	Invoice		396.09	(4,703.61)
2016/07/01	INV0005	Invoice		396.09	(4,307.52)
2016/07/05		Invoice	245.61		(4,553.13)
2016/07/10		Invoice	859.65		(5,412.78)
2016/07/12		Invoice	982.46		(6,395.24)
2016/07/12		Invoice	736.84		(7,132.08)
2016/07/13		Invoice	982.46		(8,114.54)
2016/07/17		Invoice	50.35		(8,164.89)
		Closing Balance	8,164.89		

## 4. Filters incorrectly applied on the Tax Report

Filters may have been incorrectly selected on the above report that may exclude certain Transaction Codes or Tax Types. As a result Differences may be observed.

Report -- Tax Report

Report

Layout Options

Printer Options

E-mail

Transactions

Transaction Codes < All >

Tax Types < All >

Period From July 2016 Period To July 2016

Date From 2016/12/01 Date To 2016/12/31

Options

☒ Show Transactions

Sort Date

No Grouping

Report Summary

☒ Default

E-mail

Print

Preview

Close

**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

## Data corruption occurrences

There may be a host of potential data corruption types that could lead to incorrect Tax Type report results or VAT Control account balances, and therefore lead to Differences.

Diagnosing and fixing such data corruption occurrences should due to its complexity only be handled by a skilled Evolution consultant (Evolution Support or your BP).

## Data Migrations / Data Imports / SDK Integration

The highest care should always be taken with any types of company data migrations imports, as well as 3<sup>rd</sup> party SDK data integration. Else, when a stringent quality control protocol is not routinely applied, the risk for Differences is increased.

Please always properly test the results of data migrations/imports and setting up of any type of SDK integration with the Evolution company.

## Identifying and correcting differences

### 1. Diagnostic Tool – General

The Diagnostic Tool is a powerful analytical and troubleshooting utility to indicate where and why posting discrepancies between the GL and sub ledgers, exist.

These reasons include, among others, direct journals, sub-ledger transactions without mirroring ledger transactions and vice versa, setup mistakes and many other issues that may cause improper processing and Differences.

Although the Diagnostic Tool can only analyse the above issues and not also fix them as well, it's still a handy utility that efficiently show users exactly where and why inconsistencies exist.

Using the Tool should save significant time in the overall process of restoring company reporting integrity.

Please click [here](#) to obtain a detailed Diagnostic Tool guide on how to set up and work with it.

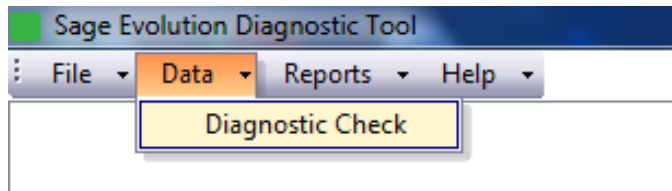
### 2. Diagnostic Tool – Analysing Tax Related Differences

#### Scenario 1: No discrepancies identified

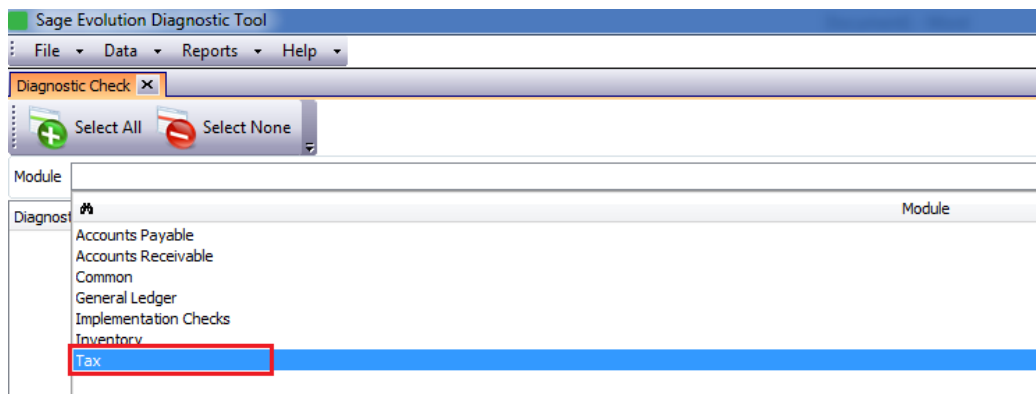
1. Open the **Diagnostic Tool** (using its own desktop icon from outside the Evolution company)
2. Setup its link to the relevant company database that you want to analyse.
3. Go to **Data | Diagnostic Check**.

Document Version:	2017.01.V01	Author:	Bennie Pienaar
-------------------	-------------	---------	----------------

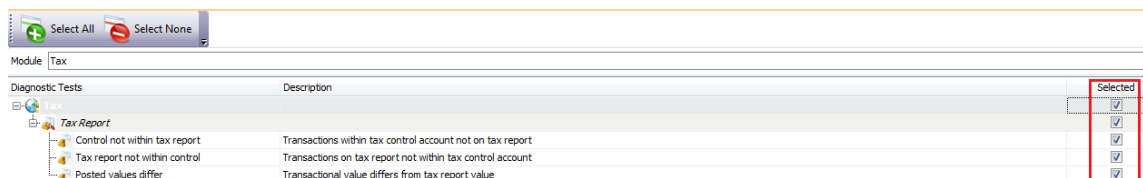
**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).



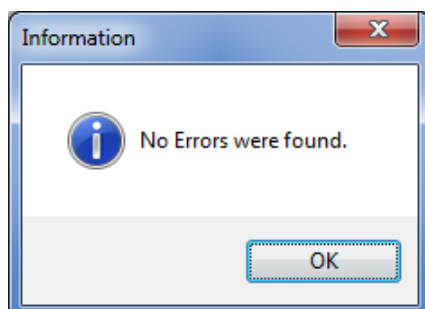
4. Select the **Tax** option on the **Module** dropdown.



5. Notice the three different aspects below that can be analysed by the Diagnostic Utility.



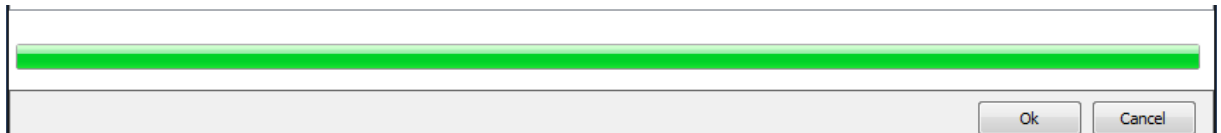
6. Click on each one's selected option on the right (or click on the **Select All** button on the top left) of the screen above.
7. When all options have been selected, click on the **OK** button at the bottom of the screen.
8. If there are no issues found, the following message should display:





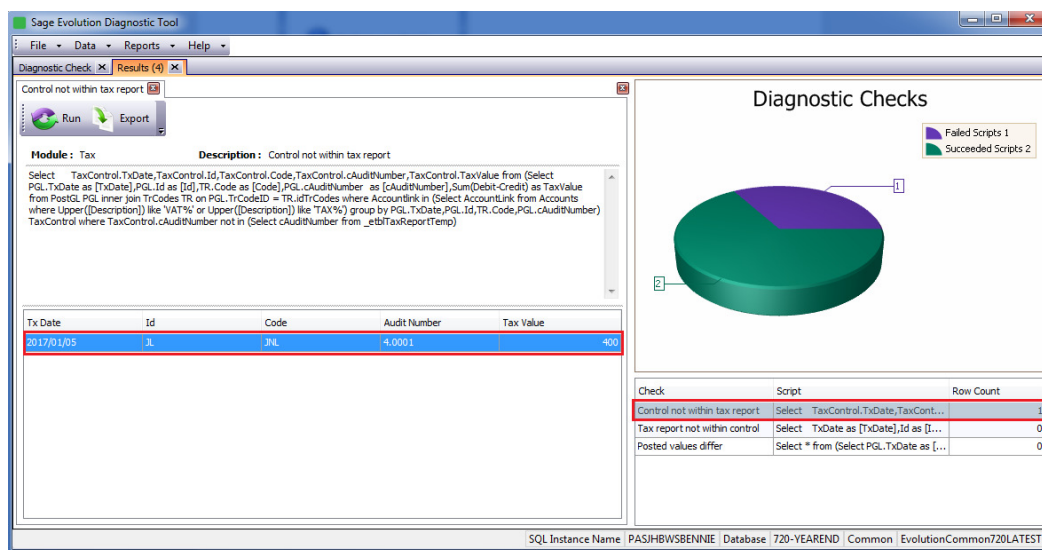
**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

- Also note at the bottom of the screen, the following should be displayed. This indicates no discrepancies have been identified on the above selected analytical aspects.



## Scenario 2: Direct Journals on the VAT Control Account

- Below is an example on how the Diagnostic Tool displays the results when any direct journals on the **VAT Control** account have been discovered.



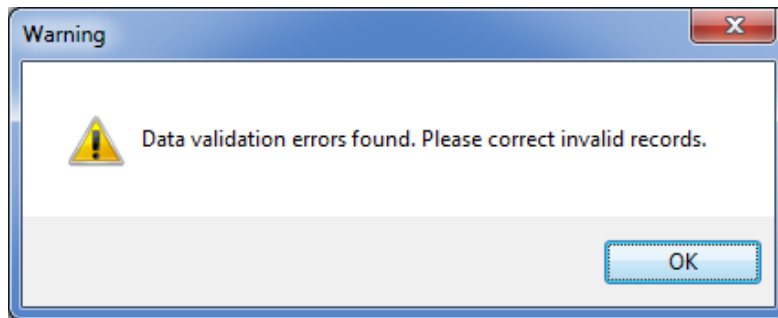
- This means no corresponding VAT amounts have been processed in a source document, resulting in Differences.
- To recreate this, let's post a direct journal in the **Vat Control** account as can be seen below.

JB001 (Journal Batch) -- Journal Batch*									
Batch View Line Foreign Currency Utilities									
Batch Reference Number JB000000*									
Line	Date	Period	Account	Account Name	Reference	Description	Debit	Credit	Tax Type
1	2017/01/05	34	Vat Control	Vat Control	REF001	DIRECT JOURNAL POSTED IN VAT CONTROL	400.00		
2	2017/01/05	34	Training	Training	REF001	DIRECT JOURNAL POSTED IN VAT CONTROL		400.00	

- When we now rerun the check in the Diagnostic Tool on the Tax module, the following message should display:

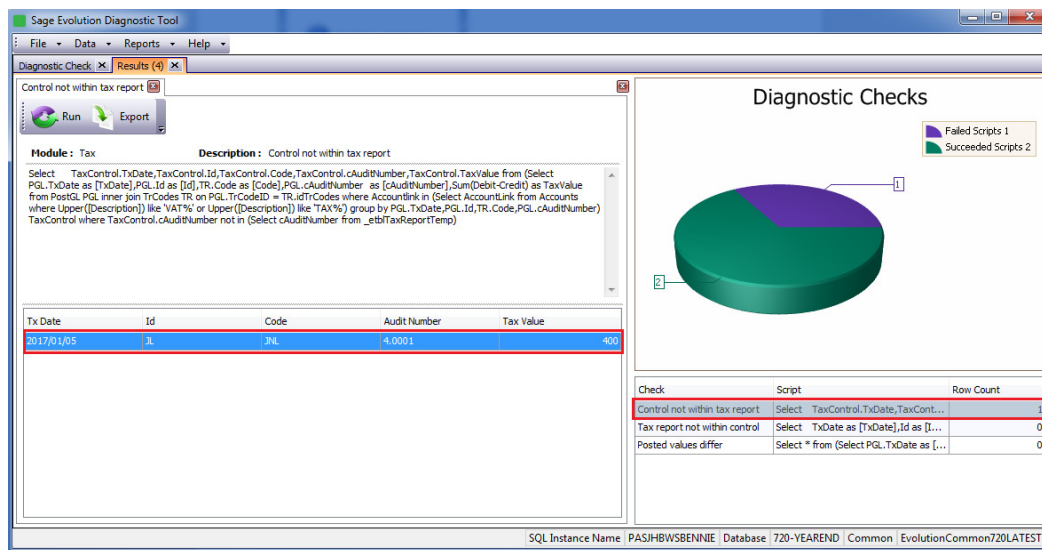
Document Version:	2017.01.V01	Author:	Bennie Pienaar
-------------------	-------------	---------	----------------

**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).



- Click **OK** on the above message to reveal the results:

Notice the record that has been identified by the Diagnostic Tool, as well as the specific reason on the bottom right hand why this transaction has been identified.



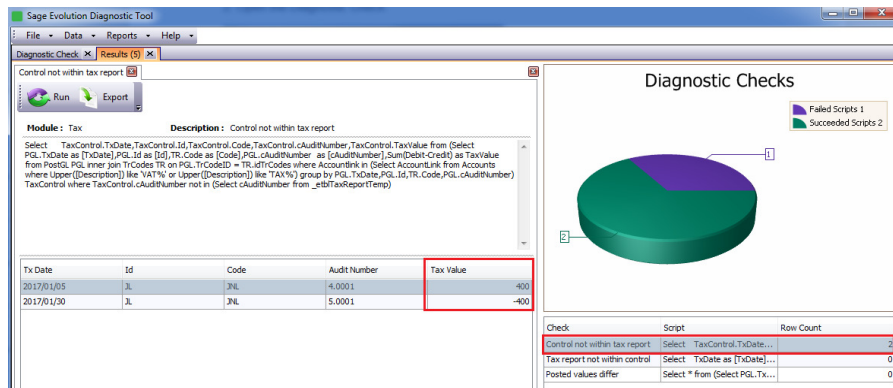
- In this case the solution should be to reverse the above transaction with another direct journal.
- Notice now however the following results:**

If you rerun the Diagnostic Tool, you'll notice that both the original and reversed journal transactions are picked up as can be seen below.

This is simply because in both cases, a direct journal was processed.

However, also notice that the total between the **(+) R400** and **–R400** Tax Values (bottom left below) equates to **R0.00**, indicating the direct journal has been properly reversed.

**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).



8. Fortunately, the Tax Report should now balance with the **VAT Control** account as compared over the same periods.

## Scenario 3: Wrong GL Account Type used on Transaction Type

1. Setup the INV transaction Type as below:

The screenshot shows the 'Edit Inventory Transaction Type' dialog box for 'INV'. The 'Transaction Type' section shows 'Code: INV' and 'Description: Invoicing'. The 'Debit / Credit' section has 'Debit' selected. The 'Link another Transaction Type' checkbox is checked, with 'IS (Issue Stock)' selected. The 'Tax' section has 'Tax' checked and 'Tax Group: Sales (Sales)'. The 'General Ledger Accounts' section shows 'Debit Ledger Account: Receivables Control (Receivables Control)', 'Credit Ledger Account: Sales (Sales)', and 'Credit Tax Account: Take on Suspense (Take on Suspense)'. The 'Other' section has 'Sales Transaction Type' checked.

2. Now process a R500 (VAT Incl.) Invoice, using the standard Tax Type 1

The screenshot shows the 'New Invoice (INV0003\*)' form. The 'Customer' is BRAVO (BRAVO). The 'Invoice Number' is INV0003\*. The 'Invoice Date' is 2017/01/30. The 'Price (incl)' is R500.00 and the 'Tax Type' is 1. The 'Tax Rate' is 14.00. The 'Serial/Lot' is N/A. The 'Line' is 1.

Line	Module	Item	Item Description	Description	Warehouse	Available	Quantity	UOM	Price (incl)	Tax Type	Tax Rate	Serial/Lot	%	Line
1	ST	AAA	AAA	AAA	N/A	999.00	1.00		R500.00	1	14.00	N/A		R61

**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

- Run the Tax Report. In this company no VAT due amounts have been paid to SARS so the Tax report should normally still balance with the VAT Control account at Year End

## Tax Report 720-YEAREND

Tax Number:

Customs Code:

Period: March 2016 to February 2017

Tax Report


Page 1 of 1

Tax Type: 1

Standard Rate (Excluding Capital Goods)

Date	Tr Code	Reference	Description	Audit Trail	Exclusive	Tax	Inclusive
2016/12/05	IS	INV0002	Invoice	3.0001	(3,508.77)	(491.23)	(4,000.00)
2017/01/30	IS	INV0003	Invoice	6.0001	(438.60)	(61.40)	(500.00)
2017/01/30	IS	INV0001	Invoice	2.0001	(45,614.04)	(6,385.96)	(52,000.00)
					(49,561.41)	(6,938.59)	(56,500.00)
					(49,561.41)	(6,938.59)	(56,500.00)

- On the GL Enquiries screen, view the VAT Control Account balance as on 28 Feb 2017 and notice the difference with the above Tax Report balance.

Account **Vat Control (Vat Control)** ▼ From  2017/01/30

Transactions **Ledger Balances**

Drag a column header here to group by that column

Year Description	Period Number	Year	Date	Debit	Credit	Movement	Balance
Year3	4	3	2016/07/01	0.00	0.00	0.00	0.00
Year3	5	3	2016/08/01	0.00	0.00	0.00	0.00
Year3	6	3	2016/09/01	0.00	0.00	0.00	0.00
Year3	7	3	2016/10/01	0.00	0.00	0.00	0.00
Year3	8	3	2016/11/01	0.00	0.00	0.00	0.00
Year3	9	3	2016/12/01	0.00	491.23	491.23	491.23
Year3	10	3	2017/01/01	400.00	6,785.96	6,385.96	6,877.19
Year3	11	3	2017/02/01	0.00	0.00	0.00	6,877.19
Year3	12	3	2017/03/01	0.00	0.00	0.00	6,877.19

- As a result, when you now run the Diagnostic Tool, notice the new issue picked up below:

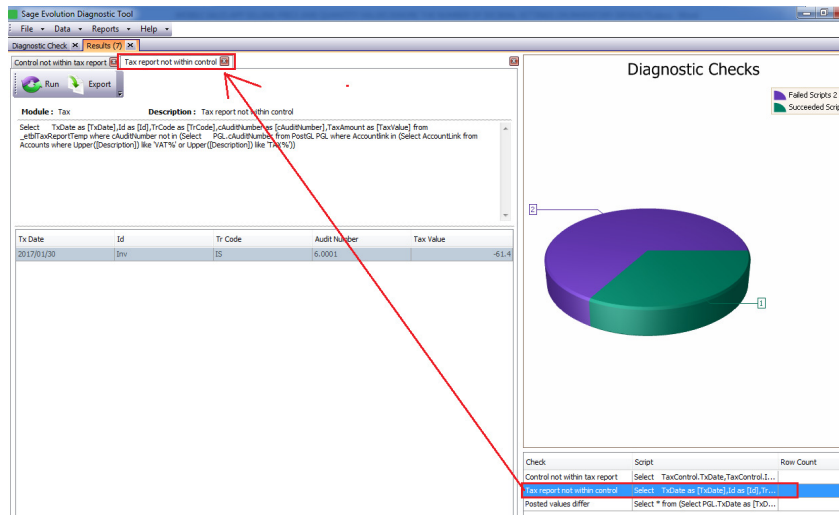
Check	Script	Row Count
Control not within tax report	Select TaxControl.TxDate,Ta...	2
Tax report not within control	Select TxDate as [TxDate],Id...	1
Posted values differ	Select * from (Select PGL.TxDa...	0

- Also notice the following details that reveals more details on the above:

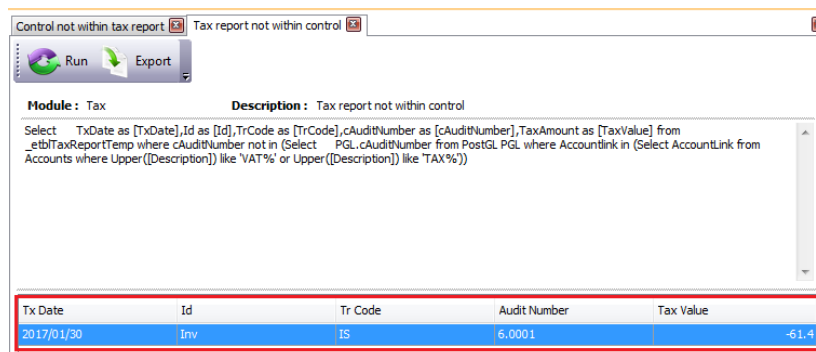
- On the top left of the main screen, notice the new tab created.

Document Version:	2017.01.V01	Author:	Bennie Pienaar
-------------------	-------------	---------	----------------

**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).



- In here the user can now view details about the specific transaction that has been identified as a result of the VAT Control account not being updated by the posted invoice.
- Also in here notice the specific Audit Number **6.0001** that helps the user to trace the actual invoice (document).



- Within the Evolution company, you should be able to find the specific Invoice document that was processed using the wrong VAT Control account.
- Do this by inserting the **Audit Number** field on the AR Enquiries screen and find the specific document with the same Audit Number as displayed in the Diagnostic Tool = **6.0001**

Customer BRAVO (BRAVO) From 2017/01/30 To 2017/01/30

Transactions Account Balances Orders Quotes Annuity Billing People Contracts Incident History Inventory Items Post Dated Cheques Lay-bys Reports

Drag a column header here to group by that column

Date	Audit Number	Code	Reference	Referen	Description	Debit	Credit	unning Balance	Notes
2016/12/05	3.0001	INV	INV0002		Invoice	R4,000.00		4,000.00	
2017/01/30	6.0001	INV	INV0003		Invoice	R500.00		4,500.00	
2017/01/30	7.0001	CRN	CRN0001		Credit Note		R500.00	4,000.00	

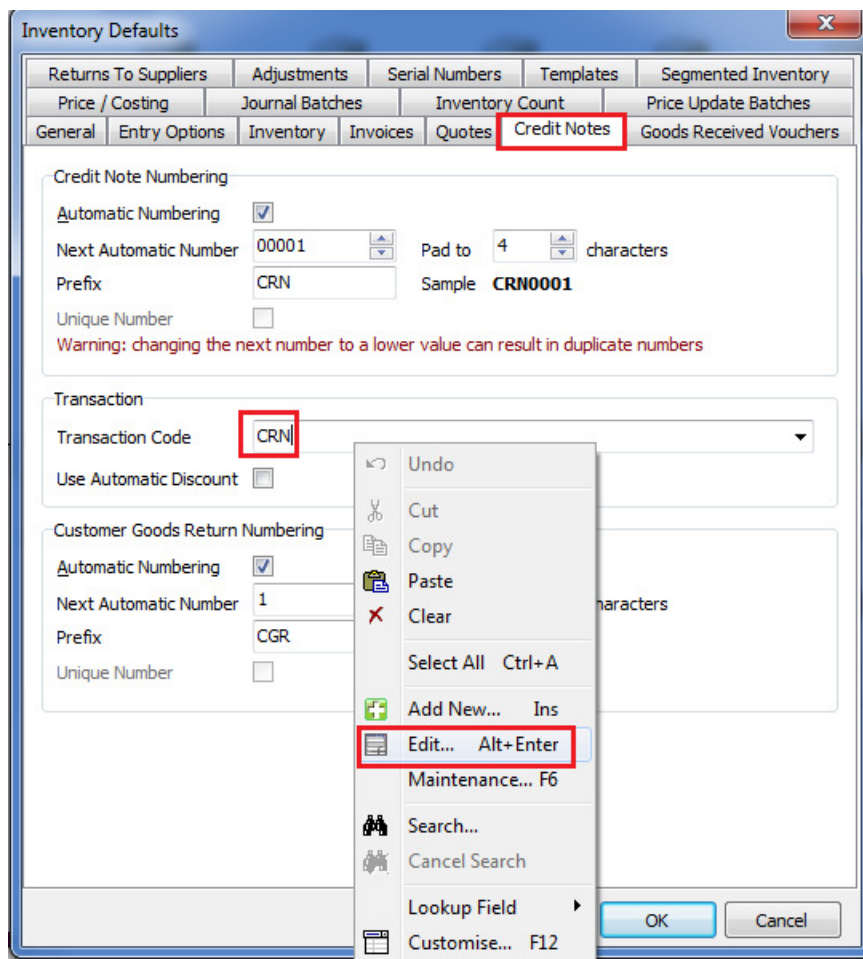


**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

7. **Solution:** In this case you should therefore do the following to correct the above discrepancy:

7.1 Ensure all other users are logged out of the company (only those that normally process invoices)

7.2 On the **Inventory Defaults | Credit Note** tab, right click and edit the **Credit Note** (the opposite of the Invoice transaction incorrectly processed) transaction type to open it.



7.3 On the opened Credit Note transaction type, select the same GL account on the **Debit Tax Account** field that was used to process the above invoice for the relevant Invoice transaction.



**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

- 7.4 Now reverse the above invoice by processing an Inventory Credit Note, using the same transaction lines, transaction date, customer etc., as those used on the above invoice.

- 7.5 Change the Credit Note transaction type back to have to correct (normally used) VAT Control account for future use.
- 7.6 Change the Invoice transaction type to use the correct (normally used) VAT Control account.
- 7.7 Reprocess the invoice with exactly the same details as processed earlier. This time the correct VAT Control account is used
- 7.8 Finally, compare the Tax Report vs VAT Control balance which should now balance.

Document Version:	2017.01.V01	Author:	Bennie Pienaar
-------------------	-------------	---------	----------------

**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

## 3. Using the Audit Trial Report

Under certain conditions, e.g. unexpected power or network interruptions, one sided GL entries may be posted. As a result, the VAT Control account entry for instance, may therefore be missing when an invoice, credit note etc. has been processed.

To identify one sided postings, run the **General ledger | Audit Trial Report** as follow:

From the above notice the following:

- The **Margin of Error** filter option should be the only one selected and a value of **0.01** entered on the **Margin** field.
- Run the report with these settings to have the report displaying only those transactions that caused one-sided entries on the General Ledger accounts, regardless the Evolution module where they were processed.

**DISCLAIMER:** These articles refer to possible solutions and a platform to share information. Each article describes a method that solved a problem (knowledge gathered from previous sites) and how Sage Evolution should operate. Please note; the information contained in these articles should be treated as guidelines and adapted; due to the differences in business processes and IT environments. Articles may not be applicable to all environments. If unsuccessful please post comments below or contact Evolution Support directly – Office: 011-304-3000 / Email: [evolutionsupport@sage.com](mailto:evolutionsupport@sage.com).

## To analyse the results, note the following:

The report results display in addition to the Audit Trail Number, also the following details of the one sided transaction identified:

- Transaction date (08/02/2017 in this case);
- Transaction reference number (INV02345 in this case);
- Module (referring to the transaction type displayed below = INV, thus Inventory/Order Entry);
- Ledger Account ('Sales' in this case);
- Transaction amount (R2500 in this case); and
- Debit/Credit orientation ('Credit' in this case)

## Audit Trail 720TEMP

Audit Trail

Page 1 of 1

Date	Reference	Tr Code	Ledger Account	Description	Debit	Credit
Audit Trail Number : 9870.23344						
08/02/2017	INV02345	INV	Sales	Invoice		2,500.00
Totals for Audit Trail Number : 9870.23344						2,500.00

In the above example, **only the Sales** account has been updated with an Inventory / Sales Order invoice processed.

This implies the VAT Control (and Receivable Control) accounts may not been updated as well and as a result Differences will be observed in the company.

In order to correct the above identified issue, please consult with your BP or Evolution Support.