

Journal entry

Journal date		Journal no.						
30/09/2022		15						
#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME	VAT	LOCATION	CLASS
1	Purchases	55,211.50		Opening Balance	HMRC VAT	No VAT (Purchases)		
2	Purchases	19,693.50		Opening Balance	HMRC VAT	20.0% S (Purchases)		
3	Purchases	10,745.03		Opening Balance	HMRC VAT	0.0% Z (Purchases)		
4	Sales		332,561.91	Opening Balance	HMRC VAT	20.0% S (Sales)		
5	Opening Balance Equity	309,485.56		Opening Balance				
6								
7								
8								
Subtotal		395,135.59	332,561.91					
No VAT @ 0% (Purchases)		0.00						
VAT @ 20% (Purchases)		3,938.70						
VAT @ 0% (Purchases)		0.00						
VAT @ 20% (Sales)			66,512.38					
Total		399,074.29	399,074.29					

VAT 100 report

VAT 100 Report 01/09/2022 - 30/09/2022

Accrual Basis

VAT DESCRIPTION	AMOUNT	TOTAL LINE AMOUNT	BALANCE
VAT due on sales and other outputs	66512.38	66512.38	
VAT due in the period on acquisitions of goods made in Northern Ireland from EU Member States	0.00	0.00	
Total output tax due			£66,512.38
VAT reclaimed in the period on purchases and other inputs (including acquisitions in Northern Ireland from EU member states)	3938.70	3938.70	
Net VAT to pay (or reclaim)			£62,573.68
Net value of sales	332561.91	332561.91	
Net value of purchases	30438.53	30438.53	
Total value of dispatches of goods and related costs (excluding VAT) from Northern Ireland to EU Member States	0.00	0.00	
Total value of acquisitions of goods and related costs (excluding VAT) made in Northern Ireland from EU Member States	0.00	0.00	

Due to the above journal entry I have an opening balance in my opening balance equity account. This is reflecting in my P&L, Trial balance and balance sheet.

Profit & Loss

Profit and Loss
November 2021 - October 2022

	TOTAL
▼ Income	
Sales	332,561.91
Services	
Total Income	
GROSS PROFIT	
▼ Expenses	
*Reconciliation Discrepancies	
Advertising	
Bad Debt	
Professional feesConsultancy	
Professional feesLegal fees	
Purchases	85,650.03

Trial Balance

Trial Balance		
As of October 31, 2022		
	DEBIT	CREDIT
Sales		332,561.91
Purchases	85,650.03	
Total Income		
Opening Balance Equity	246,920.52	

Balance sheet

Balance Sheet	
As of October 31, 2022	
	TOTAL
▼ Capital and Reserves	
Opening Balance Equity	-246,920.52
Retained Earnings	
Share Capital Account	
Profit for the year	
Total Capital and Reserves	

- How do I reflect the opening balance equity account to £0.00? What is the corresponding entry or am I missing something?

