



Vouchers

How to add Vouchers to the Phorest system

2 Ways

1. Sell Voucher through Purchase Screen by entering Client Name, Voucher Number and Amount on Voucher.

You can also top up a voucher this way - e.g. Credit Card vouchers with a barcode.

The system will generate a unique voucher number by clicking the wizard hat.

2. For Vouchers that are being given away free as a promotion or vouchers sold before the system was in place but that need to be redeemed on the system

Go to **MANAGER** > **VOUCHERS** and click **ADD**

How to redeem Vouchers in the Phorest system

When you are paying for items you will end up on the Payment Type screen where you have the option of Cash, Credit, etc. You can redeem a voucher or vouchers by clicking the **VOUCHER** button here and entering the voucher number.

This searches all the voucher numbers that have been added to the system. If it cannot find the number - then the voucher is either used up or was issued before the Phorest system was in place.

For the former you can click Search here and check the used voucher numbers. For the latter you can ADD a voucher to the system in a similar way to No.2 in the section above.

How Vouchers work from an accounting and VAT perspective

When vouchers are sold they are not considered business turnover and therefore no VAT is applied at this point. Instead you hold that money on behalf of the client like a bank account. Technically all monies received in the sale of vouchers should be held in a voucher holding account until the voucher is redeemed. (The amount in this account should equal The VOUCHERS OUTSTANDING report - see the last section of this document)

When the voucher is redeemed during a transaction then the amount redeemed is classed as turnover (revenue) and VAT is calculated. In some countries the VAT rate on treatments or services is different to that on product sales and therefore the appropriate VAT rate will be applied at the point of redemption.

This is why in the TOTALS report - Voucher sales are classified as NON REVENUE RECEIPTS underneath the REVENUE section.

***PLEASE NOTE:** If you add a voucher to the system in method 2 above (i.e. where you have not sold the voucher through the system but have just added it) then when the voucher is redeemed - VAT will be applied to that transaction. There are two potential issues here:

- A. Please ensure that you have not already paid VAT on the sale of the voucher (e.g. if they were sold before you had the Phorest system)**
- B. Or if you issued the vouchers as promotions - then you must discount the amount of these vouchers from your revenue and thus your VAT owing amount.**

What to do with Vouchers once they have expired without being used

If a customer fails to redeem a voucher and you now wish to count that voucher towards turnover (e.g. once a voucher has expired without being redeemed). Then

you must run those vouchers through the system as sales. Most people do this by:

Creating a Service in **MANAGER > SERVICES > ADD** called Voucher Expired Redemption. Also create a client in the database called VOUCHER EXPIRED.

Then going to **PURCHASE** and selling the Service called VOUCHER EXPIRED REDEMPTION to the client VOUCHER EXPIRED. Change the price of the service by clicking the PRICE button to the amount of the voucher or vouchers to be redeemed - then when you go to the Payment Types screen - click **VOUCHER** and enter the voucher number of the voucher to be redeemed.

How to understand the Reports relating to Vouchers

Totals Report

Voucher sales are not classified as REVENUE until they are redeemed. Please read the sections above. Instead they are classified initially as NON REVENUE RECEIPTS.

Voucher Totals

This is a summary of

Vouchers outstanding at the start date of the report

Vouchers sold and added between the report dates

Vouchers used between the dates

Vouchers expiring between the dates

And the total outstanding at the end date.

Vouchers Sold (And Added)

This lists every voucher sold or added as per the two methods at the top of this document between any two dates.

Vouchers Used

This lists every voucher redeemed between any two dates.

Vouchers Outstanding

This lists every voucher outstanding and the amount remaining on the voucher at whatever END DATE is selected. You can choose to look at Expired Vouchers outstanding as well.

For any queries please email support@phorest.com