



Expenses Expedite VAT Validation Matrix

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VAT Compliance – what can go wrong?

16 Point Compliance Check	What could go wrong?	Solution
Invoice number is present	There is no invoice number.	An invoice number must be present. If the invoice number is not present, then it will fail validation.
Invoice total is present	Total amount is not present on the invoice.	This is acceptable on full invoices over £250 only. In this case, there is a need for the manual addition of NET and VAT amounts to confirm the invoice total.
Supplier name and address present	There is no supplier name and address.	The supplier name and address must be present on all invoices. If it is not present, then it will fail validation.
Date is present	There is no date on the invoice.	Date may not be present on invoices under £250. In this case, the "tax point date" must be present. If the date or tax point isn't present, then this will fail validation.
Description of goods or services is present	There is no description of the goods or services.	This will fail validation.
Recipient business name present	The customer business name isn't present.	Not required on invoices under £250. If not present on invoices over £250, then this will fail validation.
At least one of the images appears to be an original document	The receipt is a photocopy or marked with duplicate or copy invoice.	Duplicate or copy invoices pass VAT validation but will flag for a possible fraud review.
Image contains a receipt that applies to a single expense	Not Found, Found Not Readable or Found and Matched.	This will fail validation.
At least one of the images appears to be a receipt	The receipt is: <ul style="list-style-type: none"> • a credit card statement • an email confirmation of payment • a hotel confirmation, • a payment received with thanks • an invoice that states "this is not a valid vat receipt". 	In all of these cases, this will fail validation.

VAT number is present	No VAT number visible on the invoice.	There must be a VAT number present on all invoices over £25. In all cases, this will fail validation as we cannot be certain that, on receipts of under £25, the supplier is VAT registered.
Total Amount excluding VAT is present	Total amount excluding VAT is not displayed on the invoice.	Not required on invoices under £250. If this is not present on invoices over £250, then this will fail validation.
	What if the amount is a foreign currency?	Depends on the customer's company policy. If converted by claimant then evidence is needed to support the sterling amount (credit/debit card statement). Otherwise, exchange rate as set up within Expenses.
VAT amount is present	VAT amount is not shown on the invoice.	Not required on invoices under £250. Reasonable check carried out to pass validation.
VAT rate is present	There is no VAT Rate on the invoice.	VAT rate must be present on all invoices over £25. Invoices under £25 would include car park charges, coin operated machines and tolls. Unless the validator is certain that the company is VAT Registered, VAT will not be validated.
Item is composite VAT rate	One line item has two or more distinct elements with differing VAT liabilities.	If found then VAT cannot be claimed.
Amount including VAT is present	Total amount is not displayed on the invoice.	This is acceptable on full invoices over £250 only. In this case, there is a need for manual addition of NET and VAT amounts, to confirm the invoice total.

What makes an item fail? - Non-VAT receipts

	Found and matched	Found and not matched	Found and not readable	Not found
Invoice number is present				
Invoice total is present				
Supplier name & address present				
Date is present		✓		
Description of goods or services is present		✓		
Recipient business name present				
At least one of the images appears to be an original document				
Images contain a receipt that applies to a single expense				
Receipt is actually a receipt				
VAT number is present				
Amount excluding VAT is present				
VAT amount is present				
VAT rate is present				
Item is a composite VAT rate				
Amount including VAT is present		✓	✓	✓
Images contain a UK VAT receipt				

What makes an item fail? - VAT receipt up to £25

	Found and matched	Found and not matched	Found and not readable	Not found
Invoice number is present				
Invoice total is present		✓	✓	✓
Supplier name & address present				✓
Date is present		✓		✓
Description of goods or services is present		✓		✓
Recipient business name present				
At least one of the images appears to be an original document				✓
Images contain a receipt that applies to a single expense				✓
Receipt is actually a receipt				✓
VAT number is present				
Amount excluding VAT is present				
VAT amount is present				
VAT rate is present				
Item is a composite VAT rate	✓	✓	✓	
Amount including VAT is present		✓		✓
Images contain a UK VAT receipt				

What makes an item fail? - VAT receipt up to £250

	Found and matched	Found and not matched	Found and not readable	Not found
Invoice number is present				
Invoice total is present		✓	✓	✓
Supplier name & address present				✓
Date is present		✓		✓
Description of goods or services is present		✓		✓
Recipient business name present				
At least one of the images appears to be an original document				✓
Images contain a receipt that applies to a single expense				✓
Receipt is actually a receipt				✓
VAT number is present				✓
Amount excluding VAT is present				
VAT amount is present				
VAT rate is present				✓
Item is a composite VAT rate	✓	✓	✓	
Amount including VAT is present		✓	✓	✓
Images contain a UK VAT receipt				

What makes an item fail? - VAT receipt above £250

	Found and matched	Found and not matched	Found and not readable	Not found
Invoice number is present			✓	✓
Invoice total is present		✓	✓	✓
Supplier name & address present			✓	✓
Date is present		✓	✓	✓
Description of goods or services is present		✓	✓	✓
Recipient business name present		✓	✓	✓
At least one of the images appears to be an original document				✓
Images contain a receipt that applies to a single expense				✓
Receipt is actually a receipt				✓
VAT number is present			✓	✓
Amount excluding VAT is present		✓	✓	✓
VAT amount is present			✓	✓
VAT rate is present			✓	✓
Item is a composite VAT rate	✓	✓	✓	
Amount including VAT is present		✓	✓	✓
Images contain a UK VAT receipt				