

# **Some of the issues and challenges with GAF that the participants highlighted during the GAF hands-on training**

*I noticed many participants had difficulties identifying if the problem was software related or the problem was with the company itself, perhaps due to their accounting policies, poor documentation, insufficient GST knowledge or insufficient software application training.*

# GST Audit File (GAF)

## General Feedback -20 issues

1. Many fields in the GAF Records Elements are either blank e.g. Country or contain incorrect information e.g. BRN Number field shows Invoice Number due to Software constraints or the developer did not to follow the GST Software Guide
2. My staff accidentally used | (bar) when entering a few Purchase Invoices. Now my GAF is damaged. How do I fix this problem?
3. The figures for GST03 generated from GAF and the figures for GST03 submitted via TAP will never agree as I make corrections to the figures in TAP and the corrections are not reflected in my Accounting Software
4. My Accounting Software does not assign Tax Codes for Net Realized Forex Gains so I have to manually enter in TAP in Field 12. How about my GAF?
5. Should F11 be zero? In Accounting when you sum the Closing Balances in GL, it is always zero. All GL Balances at 01/April/2015 should appear in GAF else the TB generated from the L Record Element will not balance
6. GAFv2.0 has a field for K2 for export sales which include sales to designated areas e.g. Langkawi. My Accounting Software does not have a field for K2 number
7. My Company has 2 GAF Files for the month. 1 from POS and 1 from my Accounting Software. Is there a need to merge them?
8. Most companies use a local forwarder to apply for K2 together with the Commercial Invoice but in the meantime, they generate the Tax Invoice to recognize revenue for the overseas customer sales so K2 number will not appear in GAF, as the K2 number is obtained a few days after the Tax Invoice has been generated from the Accounting Software
9. For overseas customer invoices, there are 3 options for Exchange Rates, Bank Rate/Corporate Rate/K2 Rate. Must I use K2 ex-rate for my overseas transactions
10. For overseas vendor invoices, there are 3 options for Exchange Rates, Bank Rate/Corporate Rate/K1 Rate. Must I use K1 ex-rate for my import transactions

11. Should K1 Number appear in GAF for the Overseas Vendor Invoice & Local Forwarder Invoice? Local Forwarder cleared the cargo and paid the GST on behalf of my company
12. My Accounting Software updates Field 10 in GST03 for sales of goods to Langkawi. Should it be updating Field 10 or Field 11?
13. If Posting Date is found only in P Record Element, AR & GL must not backdate documents. e.g. User must not enter a Journal Voucher in GL dated 30<sup>th</sup> Sep 2016 in October 2016
14. Some companies enters vendor Invoices when the Invoices are paid and not when it is received and as a result, there is a big difference between Invoice Date & Posting Date in GAF
15. My Sales invoice has 50 lines for product sales with a similar Tax Codes. Should it appear as 50 lines in GAF S Record Element and 50 lines in GAF L Record Element or just 1 summary total in S & L Record Element
16. The GST03 reporting is based on a cut-off date e.g. cut-off 29<sup>th</sup> May 2016 so my sales Invoices dated 30<sup>th</sup> May 2016 are not reported in GST03 for May 2016 but appears in my GAF for May 2016
17. My Accounting Software cannot handle GST Tax Line Invoices. e.g. GST for imported goods paid a local forwarder on behalf of my company is a GST Tax Line. The GST paid is updated in Field 6b but the Accounting Software does not compute or allow me to enter the Base Value during data entry so Field 6a is not updated in my Accounting Software. In TAP I can update 6a manually. Therefore my GAF and GST03 will not agree
18. GST03 re-produced from GAF is not the same as the GST03 submitted using TAP. How do I handle this during an audit? Do I need to produce a reconciliation report for audit
19. Do I need to prepare a GST03 Mapping Table for GAF audit if I choose to use my own Tax Codes?
20. Should there be Tax Codes for L Record Element

## P Record Element - GAFv2.0

| Record Type | Element # | Element Name                     | Link To     |
|-------------|-----------|----------------------------------|-------------|
| P           | 1         | Record Identifier                | F2          |
| P           | 2         | Supplier Name                    | L7          |
| P           | 3         | Supplier BRN                     |             |
| P           | 4         | Supplier GST Number              |             |
| P           | 5         | Invoice Date                     | L2          |
| P           | 6         | Posting Date                     |             |
| P           | 7         | Invoice Number                   | L9          |
| P           | 8         | Import Declaration Number        |             |
| P           | 9         | Line Number                      |             |
| P           | 10        | Product Description              | L6          |
| P           | 11        | Purchase Value (in MYR)          | L11, L12 F3 |
| P           | 12        | Purchase Value GST Amount        | L11, L12 F4 |
| P           | 13        | Tax Code                         |             |
| P           | 14        | Foreign Currency Code            |             |
| P           | 15        | Purchase Foreign Currency Amount |             |
| P           | 16        | Purchase Currency GST Amount     |             |

## GAFv2.0 P Record Element (1 record)

| P                      | P                         |
|------------------------|---------------------------|
| P2_SupplierName        | SYARIKAT BBB              |
| P3_SupplierBRN         | 76576757-T                |
| P4_SupplierGSTNo       | GST000564567              |
| P5_InvoiceDate         | 02/07/2016                |
| P6_PostingDate         | 10/07/2016                |
| P7_InvoiceNo           | 300320                    |
| P8_ImportK1No          |                           |
| P9_LineNo              | 1                         |
| P10_ProductDescription | PURCHASE 2 UNITS AIR-COND |
| P11_pValueMYR          | 5000                      |
| P12_PGSTValueMYR       | 300                       |
| P13_TaxCode            | TX-CG                     |
| P14_FCYCode            | XXX                       |
| P15_pValueFCY          | 0                         |
| P16_PGSTValueFCY       | 0                         |

### P – P

1. These refer to Purchase Transactions with Tax Codes

### P2 - Supplier Name

1. My Software has a limited length for Supplier Name. For Trading, we enter as TRD
2. I do not create individual Vendor Code in my Accounting Software for "one-off supplier"  
I only create 1 Vendor Code in AP and call it Misc. Vendor. In GAF, the Supplier Name appears as Misc. Vendor
3. Must Supplier Name in Invoice match with Supplier Name in P2? P2 is extracted from the Vendor Profile in the Accounting Software
4. Must Supplier Name in P2 match with the registered name with SSM?

### **P3 - Supplier BRN**

1. Some Firms are not required to have BRN Number to do business in Malaysia e.g. Small Businesses in East Malaysia.
2. Can we leave BRN blank for Staff/ Misc. Supplier etc.?
3. Can we insert the IC Number for Suppliers with no BRN?

### **P4 - Supplier GST Number**

1. This is a new Element for GAFv2.0. My Accounting Software does not have a field for Supplier GST Number
2. Can we leave the field blank for Staff/ Misc. Supplier etc.?

### **P5 - Invoice Date**

1. Some companies are entering receipt date as opposed to invoice date so that the vendor ageing is not distorted because supplier invoices are received late e.g. 3 months after date of Invoice
2. Some companies enter month end date for all supplier Invoices
3. What is the best practice for Invoices received after 6 months from date of Invoice?

### **P6 - Posting Date**

1. This is a new Element for GAFv2.0. My Accounting Software does not have a field for Posting Date
2. Can Posting Date be set to month end date for all Invoices?
3. GST03 is based on Posting Date but my GAF is extracted based on Document Date. How do we reconcile?

### **P7 - Invoice Number**

1. Should there be a maximum length for Invoice Number?
2. My Software has a limited length for Invoice Number so we enter only the last 12 digits

3. Invoice Numbers can be duplicated for different vendors. Will this be a problem?
  4. My Vendor uses special characters for Invoice Numbers e.g. Apostrophe. Should I ignore during data entry?
  5. My supplier Invoice includes Standard Rated and Blocked Items. Should I request for 2 separate Invoices as my Accounting Software allows only 1 Tax Code per Invoice
  6. If I make a mistake during data entry and if I have to re-enter the same Invoice again, I must enter the Invoice with a suffix A e.g. 1212A
- P8 - Import Declaration Number (K1 Number)**
1. My forwarder does not give me the Import Declaration Form when he sends us the Tax Invoice so we do not enter the K1 Number during data entry
  2. Should the K1 number be entered twice? One with the Foreign Supplier Invoice and one more time with the Local Forwarder Invoice
  3. Can we enter more than 1 Import Declaration Number for 1 Supplier Invoice?
  4. The Invoice from the Local Forwarder for the GST paid is a Tax Line. The Tax Base can be found in the K1 Form. My Accounting Software cannot enter a Tax Base for a Tax Line Invoice, so the Tax Base will be appear as zero in GAF
  5. My Local Forwarder issues 1 Tax Invoice for GST/ Duty/ Charges. Is it a good practice to request for a separate Invoice be issued for the GST paid?
  6. The Tax Base in the K1 Form includes Value of Goods + Duty + Other Charges. As a result the Purchase Value in MYR for the Overseas Vendor Invoice and Local Forwarder Invoice (Field 6a) will not match even if I use the ex-rate in the K1 Form. For the Overseas Supplier we only enter the Value of Goods in MYR
- How do we handle goods which are hand-carried by my boss in his luggage? He does not pay not pay GST when he exits KLIA
8. We do not use the K1 ex-rate for overseas vendor Invoices. We use the bank rate and also corporate rate as we have the pay the Supplier in advance before the goods are shipped to us.
  9. Goods are send by the overseas supplier using courier so there is no K1? What should I do?

**P9 - Line Number**

1. The Supplier Invoice has 100 lines for Stock Items but appears as 1 line in GAF P Record Elements. It show "Purchases of Goods"

2. The Tax Code assigned for the GST in the Invoice appears as a Line Number in GAF and not together with the Tax Base, so 1 Supplier Invoice now has 2 lines in the P Record Element (1 line for Tax Base and 1 line for GST)

### **P10 - Product Description**

1. Can I leave it blank?
2. Is there a maximum field length?
3. Must I describe the Item or Service in detail? Can I use a brief description?

### **P11 - Purchase Value (in MYR)**

1. Rightfully this should be the amount before GST
2. For Invoice with rounding differences, do I show net Purchase Value or do I need to account for the rounding difference as a separate Line Number and assign a different Tax Code
3. If I should chose not to claim the Input Tax, can I include the GST in the Purchase Value and use Tax Code OP
4. For Tax Line Invoices, can I leave the Tax Base blank e.g. GST for gift rule, the GST is a Tax Line.
5. My Vendor omitted the GST and send me a Debit Note for GST only. Should I reject the Debit Note

### **P12 - Purchase Value GST Amount**

1. There is a computation issue with the Vendor Invoice. I don't get exactly 6% for GST/ Tax Base
2. How do I handle rounding for GST?
3. The Tax Invoice should have GST but there is no GST. Should I reject the Invoice
4. The Tax Invoice has Lines with and without GST, therefore the GST% is not 6% in my accounting software so I have to enter the Invoice twice using Prefix A & B
5. The Tax Invoice is GST Inclusive and my Software is expected to compute the GST Amount & I get rounding errors for GST

### **P13 - Tax Code**

1. My Supplier Invoice is non-compliant. Can I accept and assign Tax Code BL
2. My accounting staff has made extensive errors with the Tax Codes in the Accounting Software so I have to compute GST03 in Excel and submit via TAP
3. My accounting staff assigns TX for all Invoices with GST and OP for all Invoices with no GST
4. When I have doubts if I can claim the GST, should I use BL to be safe?
5. When should I start using the new Tax Codes as per the GST Software Guide dated 2<sup>nd</sup> March 2017?
6. Should my Software replace the old Tax Codes with the revised Tax Codes for historical transactions (TX-E43 to TX-IES)?
7. My Company does not use any of the Tax Codes prescribed in the GST Software Guide. Will there be any issues during audit?
8. Salary is a Ledger Transaction but my Accounting Software treats salary as a Purchase Transaction and leave the Tax Code blank
9. My Accounting Software allows changes to Tax Codes for posted transactions as my staff makes extensive mistakes with Tax Codes during data entry
10. Is my supplier expected to disclose the Tax Codes used in the Tax Invoice
11. What is the correct Tax Code for the Foreign Supplier for imported goods? Should it be OP or IM
12. What is the correct Tax Code for the Local Forwarder who pays the GST on my company behalf?

### **P14 - Foreign Currency Code**

1. What is the Currency Code for Ringgit Malaysia? Is it XXX or MYR?
2. My Accounting Software does not the ISO Currency Code for foreign currency Invoices e.g. for Singapore Dollars, instead of SGD we use SIN

3. My Accounting Software leave the Currency Code blank for Ringgit Malaysia transactions

#### **P15 - Purchase Foreign Currency Amount**

1. My Accounting Software does not support multi-currency so we convert all Foreign Invoices to MYR using our own exchange rate
2. What exchange rate should I use to convert my foreign invoices? Should it be bank rate/ K1 rate/ corporate rate?  
For purchases of goods from a foreign supplier, must I use the K1 ex-rate?  
For Services, I use our corporate rate
3. Our corporate policy requires my company to use only the corporate ex-rate for all foreign invoices. Should I have notified KASTAM?

#### **P16 - Purchase Foreign GST Amount**

1. Would this apply only for Suppliers who do local billing that that is not in MYR?

## S Record Element - GAFv2.0

| Record Type | Element # | Element Name                   | Link To  |    |    |
|-------------|-----------|--------------------------------|----------|----|----|
| S           | 1         | Record Identifier              |          |    | F5 |
| S           | 2         | Customer Name                  |          | S2 |    |
| S           | 3         | Customer BRN                   |          |    |    |
| S           | 4         | Customer GST No                |          |    |    |
| S           | 5         | Invoice Date                   | L2       |    |    |
| S           | 6         | Invoice No                     | L9       |    |    |
| S           | 7         | Export Declaration Number      |          |    |    |
| S           | 8         | Line Number                    |          |    |    |
| S           | 9         | Product Description            | L6       |    |    |
| S           | 10        | Supply Value (in MYR)          | L11, L12 |    | F6 |
| S           | 11        | Supply Value GST Amount        | L11, L12 |    | F7 |
| S           | 12        | Tax Code                       |          |    |    |
| S           | 13        | Country                        |          |    |    |
| S           | 14        | Foreign Currency Code          |          |    |    |
| S           | 15        | Supply Foreign Currency Amount |          |    |    |
| S           | 16        | Supply Currency GST Amount     |          |    |    |

## GAFv2.0 S Record Element (1 record)

|                       |              |
|-----------------------|--------------|
| S                     | S            |
| S2_CustomerName       | SVARIKAT AAA |
| S3_CustomerBRN        | BRN984190    |
| S4_CustomerGSTNo      | GST000984190 |
| S5_InvoiceDate        | 01/07/2016   |
| S6_InvoiceNo          | IN000200001  |
| S7_ExportK2No         |              |
| S8_LineNo             | 1            |
| S9_ProductDescription | Lamps        |
| S10_SValueMYR         | 2100         |
| S11_SGSTValueMYR      | 126          |
| S12_TaxCode           | SR           |
| S13_Country           |              |
| S14_FCYCode           | XXX          |
| S15_SValueFCY         | 0            |
| S16_SGSTValueFCY      | 0            |

### S - S

1. These refer to Supply Transactions with Tax Codes

### S2 – Customer Name

1. My Software has a limited length for Customer Name. For Manufacturing, we enter as Mfg.
2. I do not create individual Customer Accounts in my Accounting Software for Cash Sales and Staff Sales  
I create only 1 Customer Account for each group even is the sales value exceeds RM500.00

3. Must Customer Name on Invoice match with Customer Name in S2? S2 is extracted from the Customer Profile in the Accounting Software
4. Must Customer Name in S2 match with the registered name with SSM?

### **S3 - Customer BRN**

1. Some companies are not required to have BRN Number to do business in Malaysia
2. Can we leave BRN blank for Staff Sales and Cash Sales?
3. Can we insert the IC Number for Customers with no BRN

### **S4 - Customer GST Number**

1. This is a new Element for GAFv2.0? My Accounting Software does not have a field for Customer GST Number
2. Can we leave GST blank for Staff Sales and Cash Sales or do we enter NA

### **S5 - Invoice Date**

1. There is no Posting Date for S Record Element so Customer Invoices for current month must appear in GAF for the current month  
Customer Invoices must not be back-dated for the current month
2. Due to various reasons, POS Sales are captured in totals in the Accounting Software only at month end using month end date
3. How should we handle Customer Invoices where there is a cut-off for management reporting e.g. Customer Invoices dated 30<sup>th</sup> May 2017 are reported as next month revenue in my Accounting Software

### **S6 - Invoice Number**

1. Should there be a maximum length for Invoice Number?
- 2.- Invoice Numbers must not be duplicated for different customers
3. Can I use special characters for our Invoice Numbers e.g. colon : ?
4. Customer Invoice consist of Standard Rated and Out of Scope Items. Should I raise 2 separate Tax Invoices?

5. If I make a mistake during data entry and if I have to re-enter the same Invoice again, I must enter the Invoice with a suffix A e.g. 1212A
6. My Company has a few sets of Invoice Numbers. Some are controlled by the Accounting Software and some controlled by a Log Book
7. My Invoice Numbers are system generated and there are missing numbers
8. We generate Cash Sales Invoices using Excel and enter in our Accounting Software as 1 total per month.
9. Our POS Software is not linked to our Accounting System so we only enter summary totals in our accounting system
10. Do we need to issue a Tax Invoice for reverse charge, gift rule etc. ?

### **S7 - Export Declaration Number**

1. This is a new Element for GAFv2.0. My Accounting Software does not have a field for Customer Export Declaration Number
2. We issue the Sales Invoice before my Local Forwarder obtains the K2 number
3. Can the K2 number be applied in advance? *Yes*
4. Can I continue to use ZRE for sales to Langkawi or should I start using ZDA?
5. Must I use the exchange rate in the K2 Form? Can I continue to use my corporate exchange rate for all export of goods? *Yes*
6. My goods are sent by courier to Singapore. Does the courier company need to apply for K2 for export? Can the courier docket replace K2

### **S8 - Line Number**

1. The Customer Invoice has 100 lines for various goods but only 1 line appears in GAF e.g. Sales of Goods
2. The Tax Code assigned for the GST in the Invoice appears as a Line Number in GAF and not together with the Tax Base, so my GAF has 2 lines for the same invoice

### **S9. - Product Description**

1. Can I leave it blank in GAF?
2. Is there a maximum field length in GAF?
3. Must I describe the Item or Service in detail in GAF? Can I use a brief description?

### **S10 - Supply Value (in MYR)**

1. Rightfully this should be the amount before GST
2. For Invoice with rounding differences, can I show net Supply Value in GAF or do I need to account for the rounding differences as a separate Line in GAF
3. My Tax Invoice for Supply Value includes GST (Tax Inclusive). Do I need to disclose GST separately?
4. The Supply Value appears with a negative sign in GAF for all my Customer Invoices

### **S11 - Supply Value GST Amount**

1. I don't get exactly 6% for GST/ Tax Base
2. How do I handle rounding for GST?
3. The Tax Invoice has Lines with and without GST. Would issuing separate invoices be a better option?
4. I have an issue with the GST from my POS. In my POS the GST is the actual value and rounded up or down but for my GST03 submission, the GST Output is computed by my Software. It is 6% of 5a, so now there is a big difference in the GST amount

### **S12 - Tax Code**

1. My Accounting Staff has made extensive errors with the Tax Codes so I have to compute GST03 "manually" and submit via TAP
2. My accounting staff assigns SR for all Invoices with GST and OS for all Invoices with no GST
3. When I have doubts, should I include GST for all Invoices issued by my Accounting Software

4. Should I start using the new Tax Codes as per the GST Software Guide dated 2<sup>nd</sup> March 2017? Is there a best time to use the new Tax Codes?
5. Should my Accounting Software replace the old Tax Codes with the revised Tax Codes for historical transactions (ES43 to IES)?
6. My Company does not use any of the Tax Codes prescribed in the GST Software Guide. Will there be any issues during Audit?
7. As per the GST Software Guide, my company must report Interest on FD and Net Realized Forex Gains (AR/AP/Currency). We have never done this until today. What should I do?

### **S13 - Country**

1. Country Field is blank in our GAF
2. My Accounting Software uses short codes for Country e.g. MAS for Malaysia
3. Country follows Billing Address rather than Drop Shipment address

### **S14 - Foreign Currency Code**

1. What is the Tax Code for Ringgit Malaysia? Is it XXX or MYR?
2. My Accounting Software did not use ISO Currency Code for Invoices with Foreign Currency e.g. for Japanese , instead of JPY we use YEN
3. My Accounting Software leaves Currency Code blank for Ringgit Malaysia

### **S15 - Supply Foreign Currency Amount**

1. My Accounting Software does not support multi-currency so we convert all Foreign Invoices to MYR using our own exchange rate
2. What exchange rate should I use to convert my foreign invoices for our product sales? Should it be bank rate/ K2 rate/ corporate rate?
3. Can I use our Corporate Rate for services rendered to overseas customers
4. Our corporate policy requires my company to use only the corporate ex-rate for all overseas invoices. Should I have notified KASTAM?

### **S16 - Supply Foreign GST Amount**

1. Would this apply only for our Customers Invoices where we bill locally and not in MYR?

## GAFv2.0 L Record Element

| Record Type | Element # | Element Name            | Link To  |          |     |
|-------------|-----------|-------------------------|----------|----------|-----|
| L           | 1         | Record Identifier       |          |          | F8  |
| L           | 2         | Transaction Date        | P5       | S5       |     |
| L           | 3         | Account ID              |          |          |     |
| L           | 4         | Account Type            |          |          |     |
| L           | 5         | Account Name            |          |          |     |
| L           | 6         | Transaction Description | P10      |          |     |
| L           | 7         | Entity Name             | P2       |          |     |
| L           | 8         | Transaction ID          |          |          |     |
| L           | 9         | Source Document ID      | P7       | S6       |     |
| L           | 10        | Source Type             |          |          |     |
| L           | 11        | Debit                   | P11, P12 | S10, S11 | F9  |
| L           | 12        | Credit                  | P11, P12 | S10, S11 | F10 |
| L           | 13        | Running Balance         |          |          | F11 |

# GAFv2.0 L Record Element (Purchase/Supply/Ledger)

| L | L2_TransactionDate | L3_AccountID | L4_AccountType | L5_AccountName   | L6_Transaction Description | L7_EntityName | L8_TransactionID | L9_SourceDocID | L10_SourceType | L11_Debit | L12_Credit | L13_RunningBalance |
|---|--------------------|--------------|----------------|------------------|----------------------------|---------------|------------------|----------------|----------------|-----------|------------|--------------------|
| L | 01/07/2016         | 1351         | B              | GST - INPUT      | OPENING BALANCE            |               |                  |                |                | 0         | 0          | 0                  |
| L | 02/07/2016         | 1351         | B              | GST - INPUT      | PURCHASE 2 UNITS AIR-COND  | SYARIKAT BBB  | 1200054          | 300320         | AP             | 300       | 0          | 300                |
| L | 01/07/2016         | 1520         | B              | EQUIPMENT        | OPENING BALANCE            |               |                  |                |                | 0         | 0          | 50500              |
| L | 02/07/2016         | 1520         | B              | EQUIPMENT        | PURCHASE 2 UNITS AIR-COND  | SYARIKAT BBB  | 1200054          | 300320         | AP             | 5000      | 0          | 55500              |
| L | 01/07/2016         | 2015         | B              | ACCOUNTS PAYABLE | OPENING BALANCE            |               |                  |                |                | 0         | 0          | -69050             |
| L | 02/07/2016         | 2015         | B              | ACCOUNTS PAYABLE | PURCHASE 2 UNITS AIR-COND  | SYARIKAT BBB  | 1200054          | 300320         | AP             | 0         | 5300       | -74350             |

|   |            |            |   |                     |                 |              |         |             |    |      |      |           |
|---|------------|------------|---|---------------------|-----------------|--------------|---------|-------------|----|------|------|-----------|
| L | 01/07/2016 | 19/01/1903 | B | ACCOUNTS RECEIVABLE | OPENING BALANCE |              |         |             |    | 0    | 0    | 102744.95 |
| L | 01/07/2016 | 19/01/1903 | B | ACCOUNTS RECEIVABLE | LOCAL SALES     | SYARIKAT AAA | 1500004 | IN000200001 | AR | 2226 | 0    | 104970.95 |
| L | 01/07/2016 | 11/09/1903 | B | GST - OUTPUT        | OPENING BALANCE |              |         |             |    | 0    | 0    | 0         |
| L | 01/07/2016 | 11/09/1903 | B | GST - OUTPUT        | LOCAL SALES     | SYARIKAT AAA | 1500004 | IN000200001 | AR | 0    | 125  | -125      |
| L | 01/07/2016 | 13/12/1910 | I | SALES               | OPENING BALANCE |              |         |             |    | 0    | 0    | -60260.52 |
| L | 01/07/2016 | 13/12/1910 | I | SALES               | LOCAL SALES     | SYARIKAT AAA | 1500004 | IN000200001 | AR | 0    | 2100 | -62360.52 |

|   |            |            |   |                    |                 |         |        |        |    |       |       |           |
|---|------------|------------|---|--------------------|-----------------|---------|--------|--------|----|-------|-------|-----------|
| L | 01/07/2016 | 17/10/1902 | B | PUBLIC BANK BERHAD | OPENING BALANCE |         |        |        |    | 0     | 0     | 60490.57  |
| L | 05/07/2016 | 17/10/1902 | B | PUBLIC BANK BERHAD | LOAN REPAYMENT  | MR. TAN | 500005 | OF9878 | GL | 50000 | 0     | 110490.57 |
| L | 01/07/2016 | 21/01/1903 | B | LOAN TO DIRECTOR   | OPENING BALANCE |         |        |        |    | 0     | 0     | 50000     |
| L | 05/07/2016 | 21/01/1903 | B | LOAN TO DIRECTOR   | LOAN REPAYMENT  | MR. TAN | 500005 | OF9878 | GL | 0     | 50000 | 0         |

## **L - L**

1. These refer to Ledger Transactions
2. There are no Tax Codes for L Record Element as per the GST Audit File
3. What type of Transactions are classified as Ledger Transactions from a GST Perspective?
4. My software assigns Tax Codes for all Transactions. For Ledger Transactions, we assign Tax Code OP & OS

## **L2 - Transaction Date**

1. There is no Posting Date for L Record Element so Ledger Transactions for current month must appear in GAF in the current month
2. Ledger Transactions must not be back-dated for the current month
3. Should L Record Element have an Element called Fiscal Period

## **L3 - Account ID**

1. Should there be a maximum length for Account ID?
2. Should all GL Accounts in the Accounting Software appear in GAF? I have over 10,000 GL Accounts in my Chart of Accounts
3. My Accounting Software Chart of Accounts has the Natural Account or Parent Account and Sub-Codes/ Division/ Cost Centres. Can I only transfer the Natural Account to GAF?

## **L4 - Account Type**

1. This is a new Element for GAFv2.0?
2. Is there any specific terminology that I must use?
3. Typically all Account Type belongs to 3 groups, Balance Sheet, Retained Earning, Profit & Loss Account

### **L5 - Account Name**

1. Should there be a maximum length for Account Name?
2. My Accounting Software allows Chinese Characters in Account Name

### **L6 - Transaction Description**

1. Should there be a maximum length for Transaction Description?
2. Transaction Description will apply for Transactions from Supply, Purchase and Ledger
3. How detail should be the Transactions Description be?
4. The Transaction Description for Purchase and Supply from my Accounting Software is not the same when transferred to L Record Element

### **L7 - Entity Name**

1. Would this be the Customer Name in Supply and Supplier Name in Purchase? *Yes*
2. The Entity Names is the same as Transaction Description in my GAF

### **L8 - Transaction ID**

1. Transaction ID allows to group transactions using a common ID
2. By grouping transactions, the double entries for Supply/ Purchase/ Ledger Transactions can be identified during an audit. The double entry must balance for each Transaction ID
3. My Accounting Software is not able to assign a unique ID for common transactions, as such the double entries will not balance for each Transaction ID
4. My Accounting Software does not generate any Transaction ID at all so it appears as a blank in GAF

### **L9 - Source Document ID**

1. All transactions for Purchase/ Supply/ Ledger must have a Source Document and the Document must have an ID and the ID must be unique for each transaction ✓

2. My Accounting Software allows transactions to be posted with no document ID
3. The Document ID can be duplicated for Ledger Transactions
4. The Invoice Numbers for Supply and Purchase are not transferred to L9 and also can be truncated in L9

### **L10 - Source Type**

1. Identifies the transaction source
2. My Accounting Software leave Source Type blank in GAF ✓
3. I cannot identify if the Transaction is a Purchase/ Supply/ Ledger by looking at the Source Type in GAF

### **L11 - Debit**

1. Generally no issues
2. My Accounting Software shows up to 4 decimals for Values

### **L12 - Credit**

1. Credit Transactions appears in GAF with a negative sign

### **L13 – Running Balance**

1. What exactly is running balance? Is it Opening Balance + Debits - Credits for each line for an Account ID?  
If this is correct, then the final balance for an Account ID in GAF = the GL balance for the same Account ID in the Trial Balance for a specific time frame/period
2. Do I need to show all Accounts in GAF even when there are no transaction since GST was implemented on 1<sup>st</sup> April 2015, e.g. Share Capital
3. In my Accounting Software, only those Accounts which are active after 1<sup>st</sup> April 2015 appears in GAF
4. What Terminology should my Accounting Software use in GAF for GL Accounts with balances at 1<sup>st</sup> April 2015, OPENING BALANCE OR BALANCE BROUGHT FORWARD

## F Record Element GAFv2.0

| Record Type | Element # | Element Name               | Link To |
|-------------|-----------|----------------------------|---------|
| F           | 1         | Record Identifier          |         |
| F           | 2         | Purchase Count             | P1      |
| F           | 3         | Purchase Amount Sum        | P11     |
| F           | 4         | Purchase GST Amount<br>GST | P12     |
| F           | 5         | Supply Count               | S1      |
| F           | 6         | Supply Amount Sum          | S10     |
| F           | 7         | Supply GST Amount Sum      | S11     |
| F           | 8         | Ledger Count               | L1      |
| F           | 9         | Debit Sum                  | L11     |
| F           | 10        | Credit Sum                 | L12     |
| F           | 11        | Closing Balance Sum        | L13     |

## GAFv2.0 F Record Element

|                      |   |
|----------------------|---|
| F                    | F |
| F2_CountPRecord      |   |
| F3_SumPValueMYR      |   |
| F4_SumPGSTValueMYR   |   |
| F5_CountSRecord      |   |
| F6_SumSValueMYR      |   |
| F7_SumSGSTValueMYR   |   |
| F8_CountLRecord      |   |
| F9_SumLDebit         |   |
| F10_SumLCredit       |   |
| F11_SumLCloseBalance | 0 |

1. These are Counters to ensure the integrity of the GST Audit File. Typically there are no issues
2. What is the correct value for F11? If F11 is zero, it means all the GL Balances as per the Accounting Software Trial Balance for a specific time frame/period appears in GAF and when you extract the Trial Balance from GAF, the sum of the Closing Balances = 0
3. My Accounting Software allows deletion of records but the record still appears in GAF

## C Record Element GAFv2.0

| Record Type | Element # | Element Name       |
|-------------|-----------|--------------------|
| C           | 1         | Record Identifier  |
| C           | 2         | Company Name       |
| C           | 3         | Company BRN        |
| C           | 4         | Company GST number |
| C           | 5         | Period Start       |
| C           | 6         | Period End         |
| C           | 7         | GAF Creation Date  |
| C           | 8         | Software Version   |
| C           | 9         | GAF Version        |

### C2 – Company Name

1. Should the Company Name in my Accounting Software use the same name used to register for GST

### C5 & C6 - Period Start/ Period End

1. My corporate fiscal period is different from the standard monthly calendar. Example for May 2017, my fiscal period is from 1<sup>st</sup> May to 29<sup>th</sup> May.  
If I do my GST reporting monthly, in the GAF do I show the standard monthly calendar (1<sup>st</sup> May to 31<sup>st</sup> May) for Period Start/ Period End or do I show the dates as per my fiscal period

