



How to read Advice Notes and Confirmation Notices

How do I read my Advice Note?

1 **ADVICE NOTE**
THIS IS NOT A VAT INVOICE

Advice Note issued for Balancing Services in accordance with Balancing & Settlement Code dated 14th August 2009 as amended, varied or supplemented from time to time.

ELEXON
ELEXON CLEAR LIMITED

Date: 04-Dec-2008
Page: 1 of 2

FAA Address Line 1
FAA Address Line 2
FAA Address Line 3
FAA Address Line 4

Tel: 0123 4567890
Fax: 0123 4567890
Email: faa@address.com

Name: Party Name
Address: Party Address Line 1
Party Address Line 2
Party Address Line 3
Email: party@address.com

Advice Note: ADV000474
Payment Date: 05-Dec-2008
Threshold breach reason: Monetary
Advice Note Threshold Limit: £500
Backing sheet that breached threshold: 123400

7 **TRADING CHARGES**

Backing sheet	Calendar Payment Date	Settlement Date	Sett Code	Description	Amount	Total Inc VAT
123400	06-Dec-2008	08-Nov-2008	SE	Amount Payable	420.10	493.62
123400	09-Dec-2008	12-Dec-2008	R1	Amount Payable	13.75	15.85
123400	12-Dec-2008	12-Dec-2008	R1	Gross Interest	2.39	2.80
123400	08-Dec-2008	09-Aug-2008	R2	Amount Payable	0.01	0.01
123400	08-Dec-2008	09-Aug-2008	R2	Gross Interest	0.01	0.01
123400	06-Dec-2008	02-May-2008	R3	Amount Payable	2.03	2.39
123400	06-Dec-2008	02-May-2008	R3	Gross Interest	0.05	0.05
123400	06-Dec-2008	12-Dec-2007	RF	Amount Receivable	(1.48)	(1.74)
123400	06-Dec-2008	12-Dec-2007	RF	Gross Interest	(0.04)	(0.04)
Subtotal					415	415

16 **DEFAULT CHARGES**

Backing sheet	Calendar Payment Date	Affected Date	Defaulting Party	Defaulted Amount	Description	Amount	Total Inc VAT
122500	05-Dec-2008	25-Nov-2008	PARTYA	124.22	Default Share Amount Vatable	10.19	11.97
122500	05-Dec-2008	25-Nov-2008	PARTYA	124.22	Default Share Amount Non-Vatable	1.06	1.25
122500	05-Dec-2008	25-Nov-2008	PARTYA	124.22	Gross Interest	0.02	0.02
Subtotal					22	22	

23 **AD-HOC CHARGES**

Backing sheet	Calendar Payment Date	Settlement Date	Run No	Description	Amount	Total Inc VAT
123450	05-Dec-2008	27-Mar-2006	01	Amount Payable	20.19	22.43
123450	05-Dec-2008	27-Mar-2006	01	Amount Payable	1.06	1.25
123449	05-Dec-2008	26-Mar-2006	01	Gross Interest	0.02	0.02
Subtotal					24	24

Total Amount Payable: 25

ELEXON CLEAR Ltd, Regd. In England 0402798 VAT No GB 756 932093
If you have agreed to pay by direct debit then the amount above will be collected on the payment date

Advice Note – Page 1 of 2

1. An Advice Note is the note issued by the Funds Administration Agent (FAA) showing the amount you need to pay to the BSC Clearer, or that the BSC Clearer needs to pay you. It can cover charges for several calendar Payment Dates (see 12) and must be paid in full by the Payment Date on that Advice Note (see 5).
2. FAA contact details – if you have any queries about your Advice Notes please contact the BSC Service Desk.
3. Party contact details – your corporate postal and email addresses are as submitted on your Funds Accession Form ([BSCP301/04\(a\)](#)). Please notify the FAA by completing an 'Amendments to Funds Accession Details' form ([BSCP301/04\(b\)](#)) if these change.
4. Date – date of issue of the Advice Note.

5. Payment Date – the date on which the total amount specified on the Advice Note (see 25) is due.
6. Advice Note Threshold Limit – this is set at £500 (payable or receivable). The FAA will send you an Advice Note when the total of the Trading Charges, Default Charges and/or ad-hoc charges that you owe (or are owed) is equal to, or exceeds, this Threshold Limit.

The unique numerical identifier of the Backing Sheet details the Trading Charges, Default Charges and/or Ad-Hoc Charges that caused you to reach the monetary Advice Note Threshold Limit.

7. [Trading Charges](#) –the Trading Charges you have incurred. Trading Charges include the following charges:
 - Daily Party Period BM Unit Cashflows;
 - Daily Party BM Unit Period Non-Delivery Charges;
 - Daily Party Energy Imbalance Cashflows;
 - Daily Party Information Imbalance Cashflows;
 - Daily Party Residual Settlement Cashflows; and
 - Daily System Operator BM Cashflows.
8. Settlement Date – the Settlement Date for which you incurred your Trading Charges.
9. Settlement Code – this column contains the code for the Settlement Run type for which you incurred your Trading Charges.
10. Description – this denotes whether the row in the table refers to an itemised amount payable, gross interest or an amount you will receive.
11. Backing sheet – the unique numerical identifier of the backing sheet that relates to each line of charges.

Each backing sheet relates to a calendar Payment Date and contains a detailed breakdown of the net amount shown for the line item it relates to. There are three types of backing sheet, corresponding to the different types of charges:

- The FAA will email you a Trading Charges backing sheet on the Notification Date for each calendar Payment Date when Trading Charges are incurred, regardless of whether you have reached the Advice Note Threshold Limit or the date is a Quarter Date.
- The FAA will email you a Default Charges backing sheet when you have accrued Default Charges and either of the thresholds (monetary or time) has been exceeded. The Default Charges backing sheet has been redesigned so you only receive a single Default Charges backing sheet per ongoing defaulting Trading Party, rather than a number of backing sheets detailing the Default Charge for each preceding day. You will receive a single Default Charges backing sheet each day if your Default Charge breaches the monetary threshold (the Advice Note Threshold Limit).
- The FAA will email you an ad-hoc charge backing sheet when a Dispute Charge occurs, whether or not either of the thresholds were breached.

12. Calendar Payment Date – an Advice Note may have a number of line items relating to several Settlement Days. This will occur when you have cumulative payments and/or receipts which are under the monetary threshold. The calendar Payment Date heading is included on the Advice Note so you can link these items back to their daily backing sheets, and vice versa. The calendar Payment Date is used for reference purposes. You may not receive an Advice Note for each calendar Payment Date; for example, if your charges are less than £500 for a calendar Payment Date you will not receive an Advice Note for this date.
13. Amount – the Trading Charge Amount you need to pay or receive, or the Gross Interest for each Settlement Date.
14. Total Inc VAT – the Trading Charge Amount you need to pay or receive, or the Gross Interest for each Settlement Date, including VAT charged at the current rate.
15. Trading Charge Subtotal – the subtotal of all Trading Charges due by the Payment Date, including VAT charged at the current rate.
16. Default Charges – Default Charges are unpaid BSC and SVA Charges due from Defaulting BSC Parties.

These unpaid amounts are charged to all BSC Trading Parties in proportion to their Annual Funding Share.
17. Affected Date – the date on which the Default Charges were incurred.
18. Defaulting Party – the BSC Party which has defaulted on their BSC or SVA Charge.
19. Defaulted Amount – the amount by which the Defaulting Party has entered Default.
20. Description – the BSC Party’s Default Share Amount, both in VATable and non-VATable terms, together with the gross interest incurred on this Default.
21. Default Charges Amount – the share of the Defaulted Amount that your Party is liable to pay or receive, excluding VAT both in VATable and non-VATable terms, together with the gross interest.
22. Default Charges Subtotal – the subtotal of all Default Charges that you need to pay or receive by the Payment Date, including VAT charged at the current rate if applicable.
23. Ad-hoc charges – from time to time you may incur additional charges on an ad-hoc basis. These are detailed in this section of the Advice Note.
24. Ad-hoc charges Subtotal – the subtotal of ad-hoc charges you need to pay for the Settlement Date(s) on the Advice Note, inclusive of VAT.
25. Total Amount Payable (or Receivable) – the total amount you need to pay or be paid, inclusive of VAT, by the Payment Date.

FAA Address Line 1
 FAA Address Line 2
 FAA Address Line 3
 FAA Address Line 4
 Tel 0123 4567890
 Fax 0123 4567890
 Email faa3address.com

ADVICE NOTE

THIS IS NOT A VAT INVOICE.

Advice Note issued for Balancing Services in accordance with Balancing & Settlement Code dated 1st August 2009 as amended, varied or supplemented from time to time.



ELEXON CLEAR LIMITED

Name Party Name
 Address Party Address Line 1
 Party Address Line 2
 Party Address Line 3
 Email party2address.com

Date 04-Dec-2008
 Page 2 of 2

Advice Note 000674

Payment Date 06-Dec-2008

Threshold breach reason Monetary

Advice Note Threshold Limit £500

Backing sheet that breached threshold 123400

ELEXON CLEAR Ltd. Regd. in England 04027298 VAT No GB 756 932493

If you have agreed to pay by direct debit then the amount above will be collected on the payment date

Trading Charges	1 VAT Amount Payable						2 VAT Amount Receivable							
	Backing Sheet	VAT Code	Description	Trade Value	VAT Rate	VAT Amount	Total Inc VAT	Backing Sheet	VAT Code	Description	Trade Value	VAT Rate	VAT Amount	Total Inc VAT
A	345	S	STANDARD	63.27	17.50%	11.07	74.34	123400	S	STANDARD	(1.68)	17.50%	(0.26)	(1.74)
			Subtotal	63.27		11.07	74.34				(1.68)		(0.26)	(1.74)
Default Charges	VAT Amount Payable						VAT Amount Receivable							
Affected Date	Backing Sheet	VAT Code	Description	Trade Value	VAT Rate	VAT Amount	Total Inc VAT	Backing Sheet	VAT Code	Description	Trade Value	VAT Rate	VAT Amount	Total Inc VAT
B	123500	S	STANDARD	10.19	17.50%	1.78	11.97							
			Subtotal	10.19		1.78	11.97							
Ad-Hoc Dispute Charges	VAT Amount Payable						VAT Amount Receivable							
Backing Sheet	VAT Code	Description	Trade Value	VAT Rate	VAT Amount	Total Inc VAT	Backing Sheet	VAT Code	Description	Trade Value	VAT Rate	VAT Amount	Total Inc VAT	
C	122450	S	STANDARD	31.25	17.50%	5.47	36.72							
			Subtotal	31.25		5.47	36.72							
Total	VAT Amount Payable						VAT Amount Receivable							
D			Trade Value			VAT Amount	Total Inc VAT				Trade Value		VAT Amount	Total Inc VAT
			677.71			83.60	761.31				(1.68)		(0.26)	(1.74)

Advice Note – Page 2 of 2

- VAT Amount Payable – the value of the Trading Charges, Default Charges or ad-hoc charges you need to pay, adjusted for VAT.
- VAT Amount Receivable – the value of the Trading Charges, Default Charges or ad-hoc charges you will receive, adjusted for VAT.
- Backing Sheet – the numerical identifier of the backing sheet on which the applicable charge is detailed.
- VAT Code – the VAT category for the applicable charge. The codes are:
 - S – standard rate VAT;
 - E – exempt from VAT; and
 - Z – zero rated VAT.
- Description – a description of the VAT Code.
- Trade Value – the total value of the applicable charge, not including VAT.
- VAT Rate – the applicable rate of VAT in the United Kingdom on the Advice Note issue date, as specified by HM Revenue & Customs.
- VAT Amount – the total VAT amount you need to pay or receive.

9. Total Inc VAT – the total amount you need to pay or receive for the applicable charge, inclusive of VAT.
 - A. This row specifies the VAT amounts you need to pay or receive for Trading Charges.
 - B. This row specifies the VAT amounts you need to pay or receive for Default Charges.
 - C. This row specifies the VAT amounts you need to pay or receive for ad-hoc charges.
 - D. This row specifies the total VAT amounts you need to pay or receive, inclusive of Trading Charges, Default Charges and/or ad-hoc charges, as appropriate.

How to read a Confirmation Notice

Keats House, The Office Park,
Springfield Drive, Leatherhead, Surrey
KT22 7LP
Email epfalbilling@logica.com

Tel
Fax +44 (0) 845 602 3688
Email epfalbilling@logica.com

CONFIRMATION NOTICE

THIS IS A VAT INVOICE

Invoice issued for Balancing Services in accordance with
Balancing & Settlement Code dated 14th August 2000 as
amended, varied or supplemented from time to time



Date 19-JUN-2014
Page 1 **of** 2
Confirmation Notice CON12345

Name ABC LIMITED
Address 4TH FLOOR
350 EUSTON ROAD LONDON
FinanceOperations@elexon.co.uk
Email

Advice Note ADV12345
Payment Date 18-JUN-2014
Threshold Breach Reason Monetary
Invoice Threshold Limit £500
Backing sheet that breached the threshold 123456

TRADING CHARGES

Backing Sheet	Calendar Payment Date	Settlement Date	Settlement Code	Description	Total Exc VAT	VAT Amount	Total Inc VAT
123456	18-JUN-2014	22-APR-2013	RF	Amount Paid	£4,340.48	£0.00	£4,340.48
123456	18-JUN-2014	22-APR-2013	RF	Gross Interest	£23.43	£0.00	£23.43
123456	18-JUN-2014	05-NOV-2013	R3	Amount Paid	£20,197.99	£0.00	£20,197.99
123456	18-JUN-2014	05-NOV-2013	R3	Gross Interest	£54.38	£0.00	£54.38
123456	18-JUN-2014	14-FEB-2014	R2	Amount Paid	£13,114.29	£0.00	£13,114.29
123456	18-JUN-2014	14-FEB-2014	R2	Gross Interest	£17.26	£0.00	£17.26
123456	18-JUN-2014	15-FEB-2014	R2	Amount Paid	£12,543.47	£0.00	£12,543.47
123456	18-JUN-2014	15-FEB-2014	R2	Gross Interest	£15.99	£0.00	£15.99
123456	18-JUN-2014	16-FEB-2014	R2	Amount Paid	£12,939.83	£0.00	£12,939.83
123456	18-JUN-2014	16-FEB-2014	R2	Gross Interest	£16.50	£0.00	£16.50
123456	18-JUN-2014	22-APR-2014	R1	Amount Received	(£5,285.34)	£0.00	(£5,285.34)
123456	18-JUN-2014	22-APR-2014	R1	Gross Interest	(£2.03)	£0.00	(£2.03)
123456	18-JUN-2014	20-MAY-2014	RF	Amount Paid	£147,241.50	£0.00	£147,241.50

Sub Total £205,217.95

Total Amount Paid £205,217.95

ELEXON Ltd. Regd. In England 37829498 VAT No GB 756932493

If you have agreed to pay by direct debit then the amount above will be collected on the payment date.
Reverse Charge: Customer to pay the VAT at the standard rate of 20% to HMRC.

Confirmation Notice – Page 1 of 2

- Confirmation Notice – the FAA will send you a Confirmation Notice by email for charges you have paid or received within two Business Days of the Payment Date. The Confirmation Notice legally constitutes a VAT invoice.
- Confirmation Notice Number – the unique numerical identifier of the Confirmation Notice.
- Advice Note Number – the unique numerical identifier of the Advice Note to which the Confirmation Notice relates.
- Total Exc VAT – your Trading Charges, Default Charges and ad-hoc charges, excluding VAT.
- VAT Amount – the VAT that has been charged on your Trading Charges, Default Charges and ad-hoc charges.
- Total Inc VAT – your Trading Charges, Default Charges and ad-hoc charges, including VAT.

Confirmation Notice – Page 2 of 2

Keats House, The Office Park,
Springfield Drive, Leatherhead, Surrey
KT22 7LP
Email epfalbilling@logica.com

CONFIRMATION NOTICE

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*Invoice issued for Balancing Services in accordance with
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Tel
Fax +44 (0) 845 602 3688
Email epfalbilling@logica.com

Date 19-JUN-2014
Page 2 **of** 2
Confirmation Notice CON12345

Name ABC LIMITED
Address 4TH FLOOR
350 EUSTON ROAD LONDON
FinanceOperations@elexon.co.uk

Advice Note ADV12345
Payment Date 18-JUN-2014
Threshold Breach Reason Monetary
Invoice Threshold Limit £500
Backing sheet that breached the threshold 123456

Email

TRADING CHARGES

Backing Sheet	VAT Cd	Description	VAT Amount Received			Total Inc VAT	Backing Sheet	VAT Cd	Description	VAT Amount Paid			Total Inc VAT
			Trade Value	VAT Rate	VAT Amount					Trade Value	VAT Rate	VAT Amount	
123456	S	STANDARD	(£6,527.92)	0	£0.00	(£6,527.92)	144432	S	STANDARD	£211,620.14	0	£0.00	£211,620.14
Sub total			(£6,527.92)		£0.00	(£6,527.92)				£211,620.14		£0.00	£211,620.14
Total	VAT Amount Received			VAT Amount Paid									
	Trade Value	VAT Amount	Total Inc VAT	Trade Value	VAT Amount	Total Inc VAT							
	(£6,527.92)	£0.00	(£6,527.92)	£211,620.14	£0.00	£211,620.14							

This is the amount ELEXON will use to calculate VAT under the DRC

This is the amount BSC parties should use to calculate VAT under the DRC

ELEXON Ltd. Regd. In England 37829498 VAT No GB 756932493

If you have agreed to pay by direct debit then the amount above will be collected on the payment date
Reverse Charge: Customer to pay the VAT at the standard rate of 20% to HMRC

For VAT Domestic Reverse Charge purposes, the trade value under the VAT Amount Received section is classed as sales made by the customer to ELEXON, therefore ELEXON will make the reverse charge on its own VAT return in respect of this amount. The trade value under the VAT Amount Paid section is classed as sales made by ELEXON to the customer and the customer should make the reverse charge on its own VAT return in respect of this amount.

Need more information?

For more information please contact the **BSC Service Desk** at bscservicedesk@cqi.com or call **0370 010 6950**.

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