

Welcome to the April d² Accounting newsletter. It's the start of a new financial year and several changes have come into effect from this month, we will be looking at changes within VAT in this newsletter. Ensure you're up to date by taking time to look through this newsletter and of course contacting us with any queries or further questions.

VAT Changes

From this month if you have an annual turnover of £100,000 or more, you will have to do your VAT returns online and pay your VAT electronically. All you have to do is register at this site and wait for your authorisation codes to be forwarded to you.

<https://businesslink-online.hmrc.gov.uk/registration>

Of course, if you would like to save yourselves the hassle you can always ask us to complete your returns for you.

In addition to this, from this month HMRC will be introducing penalties to anyone who sends a cheque to pay for their VAT liability which is not cleared by the end of the payable month. This means that unlike previously, where you were able to send your return and cheque at the end of the month, you now need to send returns off at around the 23rd of the month, to allow 7 days for the return to be processed and the cheque cleared.

So please, if you are having your VAT returns completed by us, make sure you hand in

everything needed to submit it as soon as is practicable following the quarter end.

If you would like any further information, advice or a quote on us completing your VAT returns, please feel free to contact us on the contact details overleaf.

7 Simple Steps to Organised Bookkeeping

No matter what the nature of your business, it will be run far more successfully if you organise your paperwork. Often a job that small business owners dread, but organised paperwork will help you know how your business has performed, and will keep you better informed for making decisions about the future. Of course, d2 Accounting will happily take the stress of bookkeeping away from you, so if you are interested please get in touch. Monthly management accounts are an excellent business tool and help a business to work far more proactively than reactively. Here are 7 basic steps for keeping your paperwork organised.

- 1. Send out invoices promptly.** Its amazing how many businesses do not do this punctually and this can often cause interruptions in cashflow.
- 2. Record customer payments against sales invoices.** Again, many businesses do not allocate payments against invoices, this can lead with confusion especially if customers make payments on account. It does not have to be done on an accountancy system database, a rudimentary system

may suffice for your business, however, knowing your aged debtors figure is essential.

3. Keep all invoices and receipts. This is imperative if you are VAT registered, its surprising how many clients lose large invoices / receipts and are therefore unable to claim the VAT back on an expense. Again a simple filing system of keeping invoices and receipts in pockets per month should suffice most small businesses.

4. Keep all bank and credit card statements. Whether downloaded via online banking, or posted to you from your bank. Keep all statements together ensuring that any missing statements are identified and ordered in readiness for your annual accounts.

5. Use a dedicated Bank Account and Credit Card. If you are a limited company you have to have a separate business account however as a sole trader or partnership it is still best practice to have a business bank account also. This keeps your personal and business transactions separate whilst enabling you to have an easy grasp on business expenditure.

6. Keep personal transactions from your business account to a minimum. Ideally transfer an amount a week or month into your personal account and use that for all personal transactions. This keeps the accounts far easier to reconcile and ensures you are not drawing too much money from the business account which could have tax implications further down the line.

7. Collate all of the above into a simple filing system.

Whether you decide to keep all the paperwork in a lever arch file with dividers, or use a spreadsheet, keep the system as simple as possible and ensure items are filed consistently.

By ensuring you follow these very simple steps, you will find that you have better control of the business' paperwork and it will also make life easier for you when it comes to your year end and you can easily access all the information needed for us to complete your accounts. However, if you find you are struggling with any of the above or would like further information please do not hesitate to contact us on the details below. Alternatively, if you feel your business has outgrown a basic bookkeeping system, speak to us regarding the benefits of using Sage or a tailored Excel spreadsheet.



Contact Us

d² Accounting
European House
47 Cowbridge Road
Pontyclun
Mid Glamorgan
CF72 9WS

Tel: 01443 225620
Email: info@d2-accounting.co.uk
Twitter: d2Accounting
Facebook: d2 Accounting