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ACCOUNTING
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The UK Small Business Tax & Accounts Checklist

Everything you need to stay compliant, claim what you're owed,
and never miss a deadline again.

FREE GUIDE

INTRODUCTION

Welcome

Running a small business in the UK means keeping HMRC happy, hitting deadlines you probably didn't know about, and making sure you're not paying a penny more tax than you have to.

This checklist covers everything you need — whether you're a freelancer, a limited company director, or a sole trader. Work through each section relevant to your situation, tick off what you've done, and use it as your year-round reference.

Need help with any of this?

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SECTION 1

Key UK Tax Deadlines

Miss these and you'll face automatic fines from HMRC. Mark them in your calendar now.

Deadline	Date	Applies To
Self Assessment registration	5 October (year after going self-employed)	Sole traders
Paper Self Assessment return	31 October	Sole traders
Online Self Assessment return	31 January	Sole traders
Tax payment due	31 January (+ 31 July POA)	Sole traders
Company accounts to Companies House	9 months after year-end	Limited companies
Corporation Tax return	12 months after year-end	Limited companies
Corporation Tax payment	9 months + 1 day after year-end	Limited companies
Confirmation statement	Annual (anniversary of incorporation)	Limited companies
VAT return & payment	1 month + 7 days after VAT period ends	VAT-registered businesses
Payroll RTI submission	On or before each pay day	Employers with staff

SECTION 2

Records You Must Keep

HMRC can ask to see records going back 5 years (self-employed) or 6 years (limited companies). Keep everything.

For All Self-Employed / Sole Traders

- All invoices you've issued to clients

- All receipts for business expenses
- Bank statements for business accounts
- Mileage log (if you use your car for business)
- Records of any cash income received
- Previous tax returns and HMRC correspondence

For Limited Companies — Additional Records

- Director loan account records
- Minutes of board meetings
- Share register
- P60s and P11Ds for employees and directors
- VAT account and all VAT invoices (if VAT-registered)

SECTION 3

Allowable Business Expenses

These costs can be deducted from your income before calculating tax. Many business owners miss these — don't leave money on the table.

Commonly Claimed — and Often Missed

- **Home working:** Use of home as office
- **Phone & internet:** Broadband, phone (business proportion)
- **Accountant:** Accountancy fees (yes, these are tax-deductible!)
- **Software:** Software subscriptions (Xero, QuickBooks, Adobe, etc.)
- **Bank charges:** Business bank charges and interest
- **Training:** Training directly related to your current trade
- **Travel:** Business travel (NOT commuting to a regular workplace)
- **Clothing:** Protective clothing or uniforms (not regular clothing)
- **Memberships:** Professional memberships and trade subscriptions
- **Marketing:** Marketing, advertising, and website costs

Quick Rule:

An expense is allowable if it is incurred "wholly and exclusively" for the purposes of your business. If it has both personal and business use (like your mobile phone), you can claim the business proportion.

SECTION 4

Year-End Checklist

Use this list in the weeks before your financial year-end to make sure everything is in order.

- Reconcile your bank accounts — make sure records match your statements
- Chase any outstanding invoices — income is taxable when invoiced, not when paid
- Review stock levels and value any unsold stock at cost
- Check your fixed asset register — any new equipment or disposals?
- Review director's loan account balance (limited companies)
- Check pension contributions — these can reduce your tax bill
- Consider timing of any large purchases — before or after year-end?
- Gather payroll records and P60 information
- Confirm your accountant has everything they need — don't leave it to January!

SECTION 5

VAT — Do You Need to Register?

VAT registration becomes compulsory when your taxable turnover exceeds the threshold in any rolling 12-month period.

Current VAT Registration Threshold

£85,000 turnover in any 12-month period

Even below this threshold, voluntary registration can be beneficial — especially if your customers are VAT-registered businesses who can reclaim the VAT you charge them.

Making Tax Digital (MTD) for VAT

- VAT-registered businesses must use MTD-compatible software
- Quarterly VAT returns must be filed digitally
- Keep digital records of all VAT transactions

SECTION 6

Self Assessment — What to Gather

If you complete a Self Assessment tax return, gather these before contacting your accountant or filing yourself.

- Your Unique Taxpayer Reference (UTR) — 10-digit number from HMRC
- National Insurance number
- Total income from self-employment (use your profit & loss)
- All employment income (P60 from each employer)
- Bank interest received
- Dividends received
- Gift Aid donations made during the year

- Pension contributions
- Student loan repayments (if applicable)
- Capital gains from sale of assets, shares or property

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